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Germans Turn A New Leaf in Postwar Era

'Berlin Republic' Proclaimed With Bundestag in Reichstag

By William Drozdiak
Washington Post Service

BERLIN — The German Parliament convened its inaugural session Monday in the newly renovated Reichstag, an event that marked the first step in the formal transfer of political power from the sleepy Rhineland city of Bonn to this sprawling metropolis barely 80 kilometers from the Polish border.

With a solemnity that conveyed the magnitude of the historic shift for Europe's most powerful nation, Chancellor Gerhard Schröder vowed that the move back to the seat of Prussian militarism and the Third Reich would not signal any disruption in the democratic traditions established in Western Germany over the past half-century.

"Equating Reichstag with 'Reich' makes no sense," Mr. Schröder declared as sunlight streamed into the chamber from a spectacular glass cupola that now crowns the 19th-century building. "Our democracy and our Parliament are strong and stable. The federal model of German politics will continue and is not in the slightest danger."

The success of the Bonn democracy, the politics of understanding and good neighborliness, a firm anchoring in Europe and in the Atlantic alliance, as well as the aura of a life lived in freedom, have all helped make possible the Berlin Republic in a unified Germany.

Mr. Schröder noted the irony that the formal shift of the German government to this old and new capital so fraught



Foreign Minister Fischer, left, and Chancellor Schröder looking up at the glass cupola of the new Reichstag on Monday.

with tragic memories of warfare coincided with the participation of German forces in North Atlantic Treaty Organization air strikes against Yugoslavia, the first time that Germans have joined in an attack against a sovereign nation since World War II. But he defended Germany's role in

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A Mysterious Halt in Exodus Of Kosovars Causes Concern

Without Explanation, Serbs Close Border Again

Compiled by Our Staff From Dispatches

BRUSSELS — The exodus of refugees from Kosovo mysteriously dried up Monday as the Serbian authorities reportedly started turning back columns of ethnic Albanians before they could reach the borders.

Amid confused reports about developments inside Kosovo, NATO officials and Western aid workers could only speculate about the fate of an estimated 750,000 Kosovars who remained inside the province where the

The bridges at Novi Sad. To weaken Milosevic, NATO bombs his friends. Page 4.

Serbian authorities have waged savage campaigns of ethnic cleansing for nearly a month.

NATO officials said that Serbian forces planned to collect as many ethnic Albanians as possible and force them across Kosovo's borders in a massive expulsion aimed at causing chaos in nearby countries already reeling under the weight of refugees arriving from Kosovo.

The remaining Kosovars could be pushed toward Albania, Macedonia and Montenegro by Serbian security forces in the next 10 days, according to Lindsey Davis, the spokeswoman for the World Food Program, a UN-affiliated relief organization.

A NATO spokesman said that hundreds of thousands of displaced Albanian Kosovars were being herded around the province by Serbian units that intended to expel the refugees in a massive ouster.

Yugoslavia closed its border with Albania Monday, a day after breaking relations with Tirana.

UN officials at the scene said that the Serbs were turning back displaced Albanians as they neared Kosovo's borders. But the situation of these Kosovars was largely unknown. "It all sounds fairly ominous, and we don't know to what end they're doing it," said Kris Janowski, spokesman for the UN High Commissioner for Refugees in Geneva.

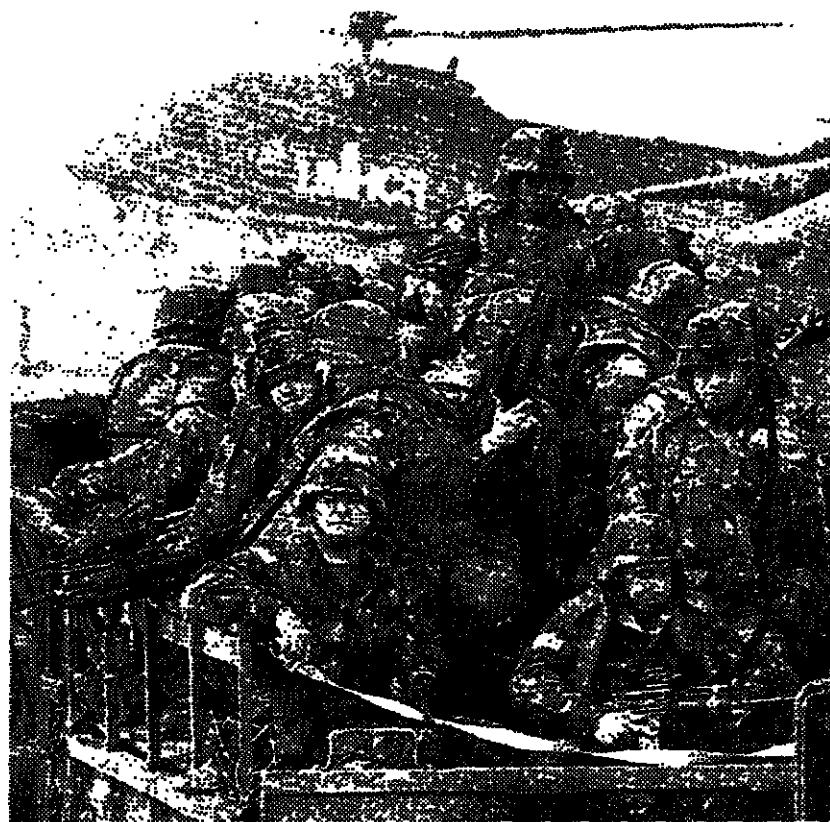
Even more ominous signs arose about ethnic Albanian men of military age when James Rubin, the State Department spokesman, said that 100,000 Kosovar males were missing — a figure that could rise as high as 500,000 by taking into account the displaced Kosovars whose whereabouts inside Kosovo are unknown.

Based on past practice, it is chilling to think where those 100,000 men are. We don't know, though we know that civilian casualties are the objective of President Milosevic's policies," he said.

Mr. Rubin was citing a State Department report on "ethnic cleansing" in Kosovo issued on Monday that said the number of missing men ranged "from a low of 100,000, looking only at the men missing from among refugee families in Albania, up to nearly 500,000, if reports of widespread separation of men among internally displaced persons within Kosovo are true."

All estimates were impossible to confirm independently, and U.S. officials cautioned that they would not really know the full extent of the problem until international observers could get into Kosovo.

While NATO pressed its air war, despite more adverse weather, President Boris Yeltsin warned that Russia would not allow the West to establish control over Yugoslavia. This tough talk was mixed with an announcement that Mos-



A helicopter from the UN High Commissioner for Refugees taking off Monday from an airport in Albania behind a truck carrying U.S. troops.

High-Altitude Bombings Linked to Convoy Deaths

NATO Admits Role in Attack on Refugees

By Michael R. Gordon
New York Times Service

BRUSSELS — NATO acknowledged for the first time Monday that it might have killed civilians last week in the bombing of a large column of vehicles southeast of the town of Dakovica in western Kosovo.

Until now, NATO has acknowledged only that one of its pilots destroyed a tractor in a separate incident the same day north of Dakovica.

Providing the first comprehensive briefing it has given on air attacks that the Serbs claim killed more than 60 ethnic Albanians on Wednesday, NATO said that its pilots, flying at high altitude, had been convinced that they were striking only military vehicles.

But in attacks that continued for more than half an hour, air commanders became concerned that refugees might be interspersed among military vehicles, and they broke off the attack.

"What we know from the debris that the Serbs showed is that some civilians died there and that there is the possibility that NATO aircraft were the cause," said Brigadier General Daniel Leaf, the U.S. Air Force officer who led an official NATO inquiry into the episode.

The assessment shows the difficulties involved in finding targets from an altitude of 15,000 feet (4,500 meters) over a region where Serbian army and police forces have been driving civilians from homes and herding them down roads.

Allied planes have spotted Serb tanks concealed next to ruined homes and even inside churches, and Serbian soldiers have been reported using civilian vehicles as well as military equipment.

A senior allied officer said that the incident had led commanders to order a

re-examination of procedures for identifying targets. But, worried about anti-aircraft fire, the alliance appears intent on continuing high-altitude strikes for now.

The commander of an air wing based in Aviano, Italy, General Leaf made one of NATO's most crucial explanations of its actions since the bombing campaign began almost four weeks ago.

The raid against the convoys near Dakovica has been transformed from a regrettable accident of war to a test of the alliance's credibility in its first major

See CONVOY, Page 4



GIVEN NOTICE — Peter Arnett, CNN's war correspondent, is not covering Kosovo as he has been dismissed. Page 4.

Is the Asian Tiger Reawakening?

'Markets Are Saying The Crisis Is Over'

By Mark Landler
New York Times Service

HONG KONG — Stock markets from Seoul to Singapore soared Monday, extending a rally that many analysts said proved that foreign investors were returning to the recession-ravaged economies of Asia.

"Something fundamental is happening," said Miron Mushkat, the head of global economics and strategy at Indocam Asia Asset Management in Hong Kong. "The markets are telling us that the Asian crisis is over. We are moving from deeply dark territory into the land of the light."

The rally was most pronounced on the Jakarta Stock Exchange, where shares jumped 5.97 percent. But the gains were dramatic throughout the region: 5.65 percent in Seoul, 5.48 percent in Manila, 4.09 percent in Singapore, 2.67 percent in Kuala Lumpur and 2.21 percent in Hong Kong.

Only Tokyo's Nikkei index shunned the celebration, falling 1.05 percent after a string of powerful gains last week.

Beyond the general sense of a better tomorrow, analysts said there were several factors driving the rally. Governments have aggressively cut interest rates, most recently the Philippines on Monday.

And foreign fund managers are steering more money to the region, in part because technology stocks in the United

Shares of technology companies fell in New York trading. Page 10.

Results have lost some of their luster as a result of the troubles at Compaq Computer Corp.

"When people shift out of technology stocks, they tend to look at cyclical stocks and overseas opportunities," said Marc Faber, managing director of Marc Faber Ltd., an investment firm in Hong Kong. "People do feel that the crisis in emerging economies worldwide is over."

The rally in Asian stock markets is all the more remarkable because it seems to bear little relation to the underlying health of the economies. In Hong Kong, the government announced that unemployment reached a record 6.2 percent in the three months from January through March. (Page 13)

Nonetheless, the Hang Seng index

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Newstand Prices	
Bahrain	1,000 BD Mails
Cyprus	C 2.100 Mails
Dominican	17 DRV Cien
Finland	12.00 FM Cien
Gabon	2,000 GAB Cien
Ghana	2,000 GH Cien
Great Britain	£1.00 S. Africa R16
Egypt	£1.250 JD U.A.E.
Japan	¥1,250 JD U.A.E.
Korea	₩1,250 JD U.A.E.
Kuwait	700 KD U.A.E.

Europe's Troubles Pull Down Currency

By Barry James
International Herald Tribune

BRUSSELS — The euro fell to a record low against the dollar Monday and slumped against other major currencies amid concerns about the impact of the Kosovo conflict on European budgets and sluggish economic growth on the continent.

But the president of the European Central Bank, Wim Duisenberg, told the monetary committee of the European Parliament that he was not concerned about the level of the euro, which briefly fell below the \$1.06 level in New York trading, a decline of almost 9 percent from its starting point in January.

He said that even if he were concerned about the decline, he would not say so for fear of touching off speculation.

In 4 P.M. New York trading, the euro was at \$1.0660, down from \$1.0703 on Friday. At one point, Europe's single currency fell to a low of \$1.0591.

Mr. Duisenberg said he was bullish about the euro's long-term prospects, adding that the central bank was not planning to buy euros to bolster the currency.

The moment to buy "has not come yet, and I cannot see it coming," he told the monetary committee. "If you take a longer-term view, I see more factors which would point in a direction of a strengthening of the euro than of a weakening."

These factors, he said, included an eventual weakening of U.S. economic growth and concern over U.S. balance-of-payments deficits.

Mr. Duisenberg said the euro's de-

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AGENDA

\$6 Billion Sought For Air Campaign

WASHINGTON (Reuters) — President Bill Clinton said Monday that he would ask Congress for emergency funds to pay for NATO's Kosovo air campaign and for humanitarian aid to the thousands of refugees fleeing the Yugoslav province.

While Mr. Clinton did not cite a figure, the White House spokesman Joe Lockhart said it would be roughly \$6 billion.

Bombing at Mosque Unnerves Indonesia

A bomb ripped through Jakarta's main mosque Monday during prayers in what was seen as an attempt to spark further sectarian violence. Page 2.



INDIA'S BROKER — Sonia Gandhi, Congress Party chief, is trying to form a coalition. Page 2.

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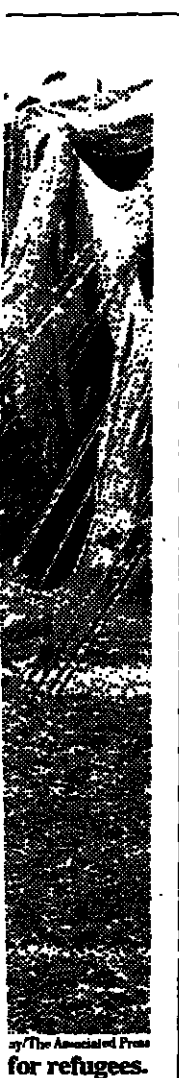
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A Colombian Terror Wave

Hijacking Highlights Escalation in Abductions

By Anthony Faiola
Washington Post Service

BOGOTA — For Luis Florez, 72, the torment began just as the "Fasten Seat Belt" sign flicked off Avianca Airlines Flight 9463.

Five men in dark suits, the last passengers to board the Fokker 50 en route to Bogota from the lush mountain city of Bucaramanga on April 12, suddenly stood up, reached into their briefcases and yanked out pistols and hand grenades.

Two more men, including one disguised as a Roman Catholic priest who had blessed one passenger only minutes before, jumped up and joined them.

"Keep your eyes straight ahead! Don't look to the side! Don't get up from your seat for any reason!" barked the stocky commander of the band of Marxist guerrillas from the National Liberation Army, Colombia's second-largest insurgency group.

Mr. Florez, a retired engineer with

diabetes and heart problems, clutched his wife's hand as fear rippled through the plane, which had 39 passengers and crew aboard.

One of the armed guerrillas entered the cockpit and ordered the pilot to change course to a remote lowland landing strip in the northern state of Bolivar. As the plane veered to the east, one woman in a seat near Mr. Florez began to panic, crying hysterically.

"That's when they tried to tell us we weren't really being kidnapped, that they were only transporting one of their commanders somewhere," said Mr. Florez.

"But I knew what was happening," he said. "We all knew. We were being kidnapped, and all I could think of to do was to pray."

Mr. Florez was one of six passengers released for reasons of age or infirmity Tuesday after 30 hours in captivity that included a taxing hike through hot

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ASIA/PACIFIC

Sonia Gandhi Considers a Coalition

Congress Leader Says Her Party Is Talking to Others in Opposition

NEW DELHI — The opposition leader Sonia Gandhi vowed Monday to give India an alternative government after the Hindu nationalist-led coalition collapsed Saturday.

The Italian-born Mrs. Gandhi, 52, confirmed to reporters that her Congress (I) Party, the second-largest group in Parliament, would form the new government.

"Yes, I am going to do so," she said, adding that Congress leaders were in talks with other opposition groups. "We will shoulder the responsibility, and work for the consolidation of secular forces."

But there was still confusion and uncertainty as to what form a replacement administration would take. Prime Minister Atal Bihari Vajpayee's Hindu nationalists resigned after losing a motion of confidence by one vote.

Since then, the multiparty opposition has been struggling to agree on the formation of a new government.

But the fractious political parties swept aside disputes Monday and agreed to pass a federal budget without changes.

The Congress Party has never been part of a coalition government, and now it must either give up its reservations

about such an arrangement or lend its support to a minority government headed by regional and leftist groups, as it did after the 1996 polls.

Mrs. Gandhi, heir to India's foremost political dynasty, met Monday with her 140 lawmakers in Parliament to discuss a Congress-led coalition.

Party leaders said they had unanimously agreed to let Mrs. Gandhi, their prime ministerial choice, make whatever decisions are needed to form a new government.

She also met Monday with Jayalalitha Jayaram, leader of a southern party that triggered the current political crisis by withdrawing from the government of Mr. Vajpayee last week.

"We are all determined to see that an alternative government is in place in the next two days," Miss Jayaram told reporters as she emerged from Mrs. Gandhi's house.

But there was no word on whether the regional parties that helped bring Mr. Vajpayee down would insist on being part of the government or whether Mrs. Gandhi could count on the support of hard-line leftist groups.

Doubts about Mrs. Gandhi's ability to pull off the daunting feat fed speculation

that India was heading for its third round of national elections in as many years. Congress is 127 seats short of a majority in the 543-member lower house of Parliament.

Mr. Vajpayee's Bharatiya Janata Party questioned whether the opposition could drum up the numbers needed for a majority.

The only viable alternative that can be sworn in is that led by Atal Bihari Vajpayee. Information and Broadcasting Minister Pramod Mahajan told reporters after a meeting of leaders from the Bharatiya Janata Party and the allies with which it had governed.

More than 40 parties, some with just one lawmaker, are represented in Parliament.

President K.R. Narayanan wants leaders of any new coalition to show him letters of support from at least half the members of Parliament before he will let them form a government.

Two elections since 1996 have given no single party a clear majority, and successive prime ministers have had to forge governments with up to a dozen parties. Lawmakers are wary of another election, which would come four years ahead of schedule. (AP, Reuters)



A civil servant in Aileu drinking a mixture of blood from East Timorese civil servants Monday to pledge his commitment to Indonesian rule.

Bomb Blast At Mosque in Jakarta Raises Tension Levels

Compiled by Our Staff From Dispatches

JAKARTA — A bomb ripped through the basement of Jakarta's main mosque Monday in what President B.J. Habibie condemned as an attempt to spark further religious violence in Indonesia. Three men were wounded.

More than 20 officers, including the headquarters of an influential Islamic organization, were damaged by the blast beneath Istiqlal Mosque, officials and witnesses said. No group claimed responsibility for the attack, police said.

The explosion followed months of escalating violence across Indonesia between members of the Muslim majority and the Christian minority. Hundreds have been killed in recent months.

The president and senior Islamic leaders called for people to remain calm. "This action could invite conflict between different religions," Mr. Habibie said. "People, particularly Muslims, must not be provoked by the bombing."

Mr. Habibie prays regularly at the mosque, which is close to the presidential palace.

More than 600 people were praying in the main chamber of the five-story mosque, several floors above, when the blast occurred at 3.15 P.M., witnesses said. Thousands of people a day visit the white-domed mosque, the largest in Southeast Asia.

Three witnesses told police that they had seen two men on motorcycles speeding away after the blast, the news agency Antara reported. Troops stationed nearby ran to the scene as hundreds of people fled, and it was cordoned off quickly. Windows had been smashed, walls scorched and pillars cracked.

Police said the bomb was planted outside the basement office of the Indonesian Ulama Council. The council, which represents thousands of Islamic clerics, is one of the country's most important religious groups.

Amir, a mosque official, said all of the victims had suffered minor wounds from broken glass.

Last week, a small bomb damaged a shopping center in Jakarta's Chinatown district, not far from the mosque.

Religious and ethnic tensions have boiled over during the 11 months since the resignation of President Suharto, who used the military to control unrest. More than 300 people have been killed in the worst fighting, among Christians and Muslims in Maluku Province in eastern Indonesia. Dozens of churches and mosques have been burned. Hundreds have been killed in ethnic clashes in western Borneo.

In renewed violence in Maluku on Monday, dozens of houses in Tual were set ablaze. It followed a clash on Sunday, when a crowd tried to stop people from boarding a ship to flee the troubled island of Kai Besar. Indonesian police fired on the crowd, wounding two people. (AP, Reuters)

Mahathir Assails Pro-Anwar Rallies

He Calls Foreign Criticism 'Racist'

Compiled by Our Staff From Dispatches

KUALA LUMPUR — In his first comments since his former deputy was sentenced to six years in prison, Prime Minister Mahathir bin Mohamad blamed opposition parties for street violence in Malaysia, local newspapers reported Monday.

Mr. Mahathir, who has been recovering from a lung infection, made his first public appearance in nearly three weeks Sunday at an exhibition of carpets.

"The truth is they are the ones who encouraged the protesters to behave in such unbecoming manner," Mr. Mahathir was quoted as saying about opposition parties by The Star, an English-language daily.

He labeled as racist foreign leaders who questioned the conviction of Anwar Ibrahim, the former deputy prime minister, on corruption charges.

"They made these comments based on their racist sentiments," the prime minister said, "which deny the capabilities of nonwhite people to practice democracy and justice."

He said: "If we do not respect our own laws and system of justice, we are the ones who will suffer. If everybody goes against the law, then everyone will become victims."

Mr. Anwar, who has vowed to rid Malaysian politics of corruption, was sentenced Wednesday to six years in jail on four counts of corruption, a verdict that triggered international rebuke

and protests in the capital. Six other charges against him are pending.

The police have reportedly detained 188 people since the verdict on suspicion of holding unlawful assemblies. On Saturday, the police arrested 94 people, about a third of them university and high-school students.

Mr. Anwar's wife, Azizah Ismail, quickly distanced herself from the post-verdict violence, saying it probably was the work of government agents.

Mr. Anwar has been the toughest challenge yet to Mr. Mahathir's grip on Malaysia. The prime minister sacked his protégé in September, and Mr. Anwar quickly was put on trial.

Vice President Al Gore, Prime Minister John Howard of Australia, President Joseph Estrada of the Philippines and Britain's foreign secretary, Robin Cook, were among those who criticized Malaysia's handling of the Anwar case. But Mr. Mahathir said critics should first examine their own countries.

"There are many injustices in their countries, lies, and ministers involved in corruption," the New Straits Times quoted him as saying. "Some are blatantly unjust to minority groups until today."

Mr. Mahathir went to his office Monday for the first time since his illness, the national press agency Bernama said. He was released from the hospital April 12, after a 10-day stay. (AP, Reuters, AFP)

BRIEFLY

Malaysia Targets Goats Next

KUALA LUMPUR — After killing nearly 1 million pigs to contain a lethal viral outbreak, Malaysia is targeting goats. The Star newspaper reported Monday.

More than 100 people have been killed by the outbreak of Japanese encephalitis and a newly identified viral strain named Nipah, after Sungai Nipah, the region south-east of Kuala Lumpur where it claimed its first victims.

Japanese encephalitis is transmitted to humans from pigs by the Culex mosquito. Authorities initially believed pigs were the sole carriers of the Nipah virus but have begun testing raccoons, stray dogs, fruit bats, goats and other farm animals. The Star said that officials had told farmers that many goats had tested positive for Nipah and that about 1,200 goats near to Sungai Nipah were to be killed this week. (AP)

Environmental Work Lauded

SAN FRANCISCO — Two aborigines who protested against an Australian uranium mine and an African who has worked to protect a tropical rain forest were among the winners of the Goldman Environmental Prize.

The \$125,000 annual prizes, given Monday, recognize efforts of grassroots environmentalism around the world. The labors of Jacqui Katona and Yvonne Margarula have delayed the mining of an estimated 20,000 tons of ore from Jabluka, one of the world's richest untapped uranium bodies. The government-approved mine site is in an area surrounded by Aboriginal-owned Kakadu National Park. Samuel Nguiffo of Cameroon won for leading a team in the Congo Basin that tells forest inhabitants of the central African rain forest, the world's second-largest, about a law that allows them to manage lands prized by foreign logging companies. (AP)

For the Record

Two Bangladeshis were killed and at least 15 wounded in an exchange of fire between border guards of Bangladesh and India along Bangladesh's western border on Monday, security officials said. Local residents said Indian border guards started the gunfire by shooting into Bangladeshi territory near Pragpur. (Reuters)

The Japanese government distanced itself Monday from the war of words between China and Tokyo's new governor, Shintaro Ishihara, an outspoken nationalist who has described the Rape of Nanking as an invention and expressed support for Taiwan. The chief cabinet secretary, Hiromu Nonaka, said Mr. Ishihara's pro-Taiwan comments in newspaper interviews conflicted with the government's official stance toward China. (AFP)

TRAVEL UPDATE

Toronto Transit Workers Walk Out

TORONTO (Reuters) — Subway and bus workers went on strike Monday, and massive traffic snarls were expected in Canada's biggest city during rush hour.

Ontario provincial officials called Sunday for an agreement, but the two sides failed to resolve difference over wages.

Subway Strikers March in Seoul

SEOUL (AP) — Thousands of striking subway workers and supporters marched through central Seoul on Monday to

protest plans for job cuts. The authorities mobilized nonunion workers and army engineers to keep trains running.

The strike marked the start of nationwide job actions to protest plans to cut jobs at unprofitable public service corporations.

Nice Airport Stoppage in 4th Day

NICE (AFP) — Air France ground staff at Nice airport Monday went into the fourth day of a strike that is crippling France's third-busiest airport.

Almost all flights between the Riviera city and other French or European cities were canceled. Passengers bound for Paris were bused instead to the airport at Toulon. Strikers want permanent long-term work contracts and better job security.

Correction

Because of a flawed translation, a quotation attributed to the Israeli immigration minister, Yuli Edelstein, in the editions of April 14 about Israel's relations with Russia was misleading. The correct translation follows: Speaking of Prime Minister Benjamin Netanyahu, Mr. Edelstein said, "He has overlooked the new immigrants and then suddenly, before the elections, he's turned pro-Russian."

THG

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WEATHER

Forecast for Wednesday through Friday, as provided by AccuWeather.

Europe				North America				Asia			
City	Today	High	Low	City	Today	High	Low	City	Today	High	Low
Amsterdam	17/20	18	10	Atlanta	23/27	28	18	Algeria	22/26	27	18
Antwerp	17/20	18	10	Boston	23/27	28	18	Beijing	22/26	27	18
Athens	19/24	24	12	Chicago	23/27	28	18	Bombay	22/26	27	18
Bari	17/20	18	10	Columbus	23/27	28	18	Bangkok	22/26	27	18
Berlin	17/20	18	10	Dallas	23/27	28	18	Batavia	22/26	27	18
Bombay	22/26	27	18	Denver	23/27	28	18	Buenos Aires	22/26	27	18
Buenos Aires	22/26	27	18	Detroit	23/27	28	18	Calcutta	22/26	27	18
Buenos Aires	22/26	27	18	Houston	23/27	28	18	Chengdu	22/26	27	18
Buenos Aires	22/26	27	18	Los Angeles	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	Miami	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	Minneapolis	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	New York	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	San Francisco	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	Seattle	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	Shanghai	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	Singapore	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	Sydney	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	Taipei	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	Tokyo	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	Wuhan	23/27	28	18	Chongqing	22/26	27	18
Buenos Aires	22/26	27	18	Yokohama	23/27	28	18	Chongqing	22/26	27	18

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North America				Europe				Asia			
City	Today	High	Low	City	Today	High	Low	City	Today	High	Low
Anchorage	10/10	10	10	Amsterdam	17/20	18	10	Algeria	22/26	27	18
Atlanta	23/27	28	18	Antwerp	17/20	18	10	Beijing	22/26	27	18
Boston	23/27	28	18	Athens	19/24	24	12	Bombay	22/26	27	18
Chicago	23/27	28	18	Bari	17/20	18	10	Bangkok	22/26	27	18
Columbus	23/27	28	18	Berlin	17/20	18	10	Batavia	22/26	27	18
Dallas	23/27	28	18	Bombay	22/26	27	18	Buenos Aires	22/26	27	18
Denver	23/27	28	18	Buenos Aires	22/26	27	18	Calcutta	22/26	27	18
Detroit	23/27	28	18	Buenos Aires	22/26	27	18	Chengdu	22/26	27	18
Houston	23/27	28	18	Buenos Aires	22/26	27	18	Chongqing	22/26	27	18
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Minneapolis	23/27	28	18	Buenos Aires	22/26	27	18	Chongqing	22/26	27	18
New York	23/27	28	18	Buenos Aires	22/26	27	18	Chongqing	22/26	27	18
San Francisco	23/27	28	18	Buenos Aires	22/26	27	18	Chongqing	22/26	27	18
Seattle	23/27	28	18	Buenos Aires	22/26	27	18	Chongqing	22/26	27	18
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Taipei	23/27	28	18	Buenos Aires	22/26	27	18	Chongqing	22/26	27	18
Tokyo	23/27	28	18	Buenos Aires	22/26	27	18	Chongqing	22/26	27	18
Wuhan	23/27	28	18	Buenos Aires	22/26	27	18	Chongqing	22/26	27	18
Yokohama	23/27	28	18	Buenos Aires	22/26	27	18	Chongqing	22/26	27	18

Legend: s=sunny, p=partly cloudy, c=cloudy, sh=showers, t=thunderstorms, r=rain, s=snow, w=wind.

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THE AMERICAS

Court Upholds Limit on E-Mail Smut

WASHINGTON — A federal law aimed at limiting e-mail smut does not violate free-speech rights, the Supreme Court ruled Monday.

The court's unanimous decision, issued without an opinion, rejected a computer technology company's argument that one part of the Communications Decency Act of 1996 threatens free-speech rights.

The law had been attacked by Apollo Media Corp., a San Francisco-based firm that developed "amoy.com," the World Wide Web site to let people anonymously communicate their opinions to public officials by using language some might consider indecent.

The challenged provision of the law makes it a crime to transmit a "communication which is obscene, lewd, lascivious, filthy or indecent with intent to annoy, abuse, threaten or harass another person." The provision applies to all e-mail, even messages sent from one friend or acquaintance to another.

A three-judge federal court upheld the law after interpreting it to ban only obscene material that gets no constitutional

protection. The Supreme Court agreed. Not all sexually explicit language and pictures are obscene. Free-speech protections are lost only if the material appeals to prurient interests and depicts sexual conduct in a patently offensive way, and that determination is left to a jury applying contemporary community standards.

William Bennett Turner, Apollo Media's lawyer, said Monday's decision "makes you nervous" to be liable for some future e-mail content found by some other court elsewhere in the nation to have crossed the line between indecent and obscene.

But Mr. Turner said "amoy.com" would continue to do business, and described it as "flourishing."

In other cases, the court issued these rulings on Monday:

It agreed to use a California case to decide whether people convicted of a crime have a constitutional right to refuse a lawyer's help and represent themselves on appeal. The court said it would hear a California man's argument that he should be allowed to file and argue his own appeal from his embezzlement conviction.

It let a New York man pursue a lawsuit that accuses the federal government of letting zoos and research facilities keep chimpanzees and other primates in inhumane conditions. The court, without comment, turned down a medical research group's argument that the man who filed the lawsuit lacks the proper legal standing. The federal Animal Welfare Act requires the Agriculture Department to set minimum standards for ensuring that zoos, research facilities and animal dealers house primates in ways that promote their psychological well-being.

It refused to kill a lawsuit seeking to force a Florida county to do more to protect endangered and threatened sea turtles. The justices, without comment, turned away arguments that local governments cannot be sued under the federal Endangered Species Act for allegedly doing a bad job of regulating private citizens' conduct. The county's appeal had raised a question of environmental law and the constitutional balance between federal authority and states' rights.

A Cool Hand on NATO Summit Security

44 Motorcades to Watch, but Boss Feels 'Comfortable' With Her Plan

By Francis X. Clines
New York Times Service

WASHINGTON — Of all the crowds Kathleen Hickman has surveyed for security risks in 15 years with the U.S. Secret Service, none comes closer to the exotic high-wire gathering of world leaders massing on her watch this week.

Ms. Hickman, a cool, well-tailored professional, has worked her way up from the ennuis of the service's check-fraud squad and the electricity of the presidential campaign vigil to become overall coordinator of security for the throng of NATO leaders and their entourages gathering here for their 50th anniversary celebration.

In a nutshell, that means no fewer than 44 motorcades — 19 NATO members plus 25 allied nations — traipsing the city for much of a week, tightly shepherded from airport to hotel and embassy by an armada of assorted police and security forces, from FBI special agents to city subway detectives.

Coordinating all this is Ms. Hickman, who learned the ropes in having advanced the protection of presidents and potentates, but never on a scale such as this. "We've implanted a security plan that we have always been comfortable with," she said, offering not a murmur of complaint when asked whether her

yearlong, highly complex assignment took on an even graver degree of watchfulness when the North Atlantic Treaty Organization began air strikes in Yugoslavia in March.

"We have not adjusted the security plan, but we are more aware of what's going on overseas," Ms. Hickman, 41, said evenly, as vigilant in an interview as any agent out on a dignitary's rope line. "We feel comfortable with our plan."

All about her as she talked in the Secret Service visitors' museum were woe-filled reminders from the past of the high-stakes task before her, from "Kennedy Shot" headlines to pistols seized from would-be assassins.

"I ensure that everyone is working together as a team," Ms. Hickman said, her faith in the plan manifest as she emphasized the critical role played by the FBI and a dozen other organizations on guard for everything from hidden bombs to bacteria assault.

For the three business days of this super-summit meeting that begins Friday, central Washington will be turned into a virtual moated citadel of rulers and bodyguard brigades. Her office will track the principals and their thousands of protectors, keeping ambulances roving about the inner sanctum and anti-terrorist snipers watching from the rooftops. Federal employees in a 12-by-15-

block core around the White House have been told not to show up Friday, while vehicles and even pedestrians will be barred from the Federal Triangle, the complex of government buildings that is the center of the gathering.

Asked how she arrived at the heart of all the programmed wariness of the NATO gathering, the dedicated planner had to admit that life can be serendipitous. "It was nothing I planned on doing," Ms. Hickman said.

Her education degree from Texas Tech University opened no job opportunity, so she took a management job in a Dallas hotel for a few years. And there, President Ronald Reagan's Secret Service detail appeared one day, all wired and efficient, and she had to work with them on hotel security.

"They were recruiting at that time, especially for females," said Ms. Hickman, who applied, passed the intelligence test and found that with the addition of some weight-lifting to her jogging regimen, she could handle the physical side, too. Her four brothers, who work in private businesses, were delighted, she said, at the emergence of the family's first law-enforcement professional.

"We're our best recruiters," Ms. Hickman said of the service, which has 2,304 agents, including 217 women. "We know the life. We know what we do."

Away From Politics

South Florida's main east-west highway was closed for a second day Monday as the area burned by a fire feeding on dry sawgrass in the Everglades grew to 90,000 acres (36,450 hectares). There was no indication when smoke might lift off the road, known as Alligator Alley, and let authorities reopen about 60 miles (100 kilometers) of the route across the Everglades. "We expect more fires," said a Highway Patrol spokesman.

Abortion protesters said they would promote abstinence and display pictures of aborted fetuses at Buffalo, New York, high schools as part of a "truth campaign" to prevent unwanted pregnancy. The weeklong campaign also targets stores selling books with nude photographs of children.

An obesity researcher at St. Luke's-Roosevelt Hospital in New York has devised a way to dislodge young TV addicts from the sofa. To see their favorite shows, couch potatoes have to pedal on a bicycle hooked up to the set. The inventor of the TVcycle, David Allison, said it was not for sale yet.

New DNA Evidence Beats Old, Freeing 2 in a Rape and Murder

By Bill Dedman
New York Times Service

OKLAHOMA CITY — It was a gruesome slaying. Debra Sue Carter, a 21-year-old barmaid, was found on the floor of her garage apartment in December 1982 in Ada, a town of 16,000 people southeast of Oklahoma City. She had been raped, and words were written on her nude body.

Five years later, two men were charged with murder in the case. They were well known in Ada: one was a junior high school science teacher and coach, Dennis Fritz; the other, Ronald Williamson, was a local hero who had played minor league baseball.

Scientific evidence helped convict them: 17 hairs found on the victim's body and analyzed under a microscope. At their trials in 1988, an expert from the state crime laboratory testified that some of the hairs were an exact match to Mr. Fritz, and the others to Mr. Williamson. The expert also said that semen found on the body could have come from them.

Mr. Fritz received a life sentence, and Mr. Williamson was sentenced to die. At one point, Mr. Williamson came within five days of being executed.

Last week they were freed by newer scientific evidence, DNA analysis that

was not available 12 years ago. DNA analysis showed that the hairs and semen could not have come from either of the two men.

The DNA tests were done by five laboratories, including one at the Oklahoma State Bureau of Investigation, the same agency that had done the microscopic tests in the 1980s. Now the labs say the DNA matches that of a convicted kidnapper who testified against the two men.

Defense lawyers say the Oklahoma case calls into question unproven science that has led to criminal convictions for a century. The men are the 61st and 62d inmates in the nation to be exonerated by DNA evidence, according to the Justice Department. Mr. Williamson is the 78th person in the country since 1970 to be cleared after being on death row, says the Death Penalty Information Center, an anti-death penalty group.

The DNA tests in the Oklahoma case show that the genetic material of the witness, Glen Gore, 38, matches the semen from Ms. Carter's body. Mr. Gore, who was serving three 40-year sentences unrelated to the murder of Ms. Carter, walked away from a prison work crew on Wednesday and remained at large Sunday. He has not been charged in the murder.



A vintage Camel cigarette billboard in Times Square in 1964. Such signs became illegal at midnight Thursday.

Tobacco Billboards Breathe Their Last

By Barry Meier
New York Times Service

NEW YORK — Unhitched by riggers, the vinyl billboard in Times Square advertising Kool Natural cigarettes slid down like a curtain last week and was quickly carted away.

By midnight Thursday, every cigarette billboard in the United States must come down as part of the \$206 billion agreement reached last year between tobacco producers and 46 states to resolve all state claims over health costs related to smoking. Over the past month, cigarette makers and outdoor advertising companies have been scrambling to meet the deadline.

For anti-smoking groups, the end of the cigarette billboard stands as a major victory, a choking-off of an advertising medium that tobacco producers have dominated for nearly 20 years.

But the absence of the billboards is also significant for the change it will produce in the visual landscape of the United States. For decades, tobacco signs were the canvas used by some of the advertising industry's most talented designers and photographers.

And the works they produced, ranging from the quaint to the garish, have served not only as urban meeting places and reference points for lost motorists but as cultural touchstones.

"For better or for worse, they were an integral part of the American landscape," said James Fraser, the library director at Fairleigh Dickinson University in Madison, New Jersey, and the author of "The American Billboard: 100 Years."

For 25 years, a Camel billboard in Times Square, which may rank as the most famous billboard ever built, sent out huge smoke rings. Until his recent enforced retirement, a monumental cotuit of the Marlboro Man had loomed for more than a decade over the Sunset Strip in Los Angeles. There were glowing neon billboards like the Newport brand sign not far from Yankee Stadium. Horses stamped out from three-dimensional billboards.

Robert Venturi, the post-modern architect, said, "There will be a time when they will be hanging in craft museums on the wall next to patchwork quilts so that we can understand their beauty as a craft."

POLITICAL NOTES

A Doleful Lack of Backing

WASHINGTON — Wherever Elizabeth Dole has appeared, big crowds dotted with newcomers to presidential politics have greeted her arrival. But three months after she stepped down from the presidency of the American Red Cross, Mrs. Dole's exploratory effort has been notable mostly for its unrealized potential: for money not raised, endorsements not received, volunteers not signed up, time not spent in important states.

"She left this energy ball out there," a veteran of her husband's 1996 campaign said, "and it dissipated by lack of follow-up."

Mrs. Dole has been unable to match Governor George Bush of Texas in institutional support for her campaign, despite her name and long involvement in Republican Party affairs. Mr. Bush raised \$7.6 million in campaign funds in the first quarter of this year; Mrs. Dole raised \$685,000. Mr. Bush has scores of endorsements from governors, senators, House members and state legislators. According to her campaign, not one governor, senator or House member has endorsed Mrs. Dole's candidacy.

The Great Y2K Name Game

WASHINGTON — Last week Dan Quayle announced that he was going to take another run at the presidency in 2000. At the Indiana rally, his supporters chanted "Q2K! Q2K!" It was a play on "Y2K," the computer glitch named for the year 2000, and it spread like a virus.

The Web site of Representative John Kasich, Republican of Ohio and presidential candidate: www.k2k.org. And around Austin, Texas, where Governor George W. Bush is sometimes known by the local pronunciation of his middle initial, "Dubya," cars carry the bumper sticker "W2K."

Don't these people understand that Y2K is an acronym for a problem? If it were just Mr. Quayle, you could chalk it up as another incident in the career of a politician defined by gaffes. But some strategist somewhere must have done some polling and discovered that people find these permutations of Y2K edgy, futuristic, or just plain cute.

Where are the Democrats in all this? Vice President Al Gore's Web site is a dull, dreamed-up-by-a-committee-of-Eagle-Scouts one: www.AlGore2000.com.

Cindy Crawford's Choice



Constellation Stainless steel with diamond-set bezel. OMEGA — Swiss made since 1848.

Omega -- my choice Cindy Crawford

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<http://www.omega.ch>

CROSSWORD

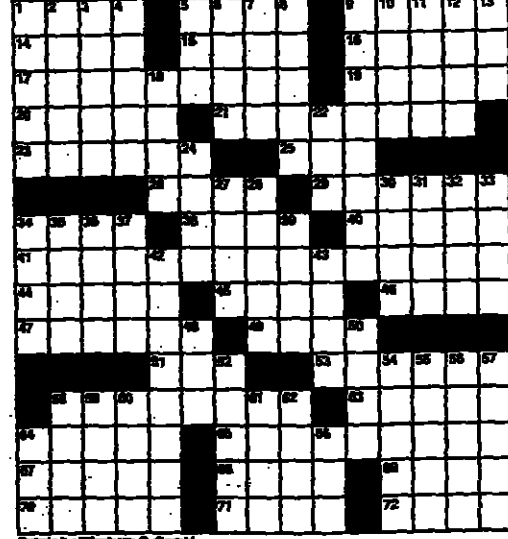
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21 With 53-Across, author of the quote
22 Breadwinner

- 25 Impassioned
26 Small amounts, as of cream
28 One who's "out"
34 Restorative sites
36 Yarn captain
38 Not a soul
41 Part 2 of the quote
44 Concerning
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48 Gambling game
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58 Port-au-Prince's land
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63 — way, shape or form
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71 Understanding words
72 Breakfast staple
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- 1 Feux pas
2 Public square, in ancient Greece
3 Less common
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5 Critic
6 Louise Flandre
7 Tequila bottle
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9 Noted socialist
10 Musical
11 Means up
12 Noncommittal answer
13 Guff V.P.
14 Put on board, as cargo
15 Pinball problem
16 Base, for one
18 Squeaked (out)



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Solution to Puzzle of April 19

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ESP LIT FAWNEES
ESP LIT FAWNEES
POLICE WOODLESS
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TAPS AUTOS LADS
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Pages 6-7.
Pages 18-19.
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The Battle for Kosovo / When Bombs Fall on Things That Are 'Near and Dear' to the President

To Weaken Milosevic's Grip on Power, NATO Targets His Friends

By Eric Schmitt and Steven Lee Myers
New York Times Service

WASHINGTON — In listing its bombing targets in Yugoslavia, NATO has generally described them as facilities that feed Slobodan Milosevic's war machine.

What the Pentagon does not usually say is that some of the refineries and factories have also been chosen as targets because they are run by cronies of the Yugoslav president.

The idea, according to senior NATO and Pentagon officials, is to undermine Mr. Milosevic's control by chipping away at his system of political and economic patronage.

"He doesn't care if his soldiers die in Kosovo, as long as he stays in power," a senior military official said of President Milosevic. "But if you blow up some things near and dear to him—or to somebody close to him—then that could have an effect."

While NATO's bombing seems to have solidified popular support for Mr. Milosevic, the officials said they hope the attacks against some of the targets would turn loyal supporters against him by destroying their own sources of wealth and power.

Yugoslavia's oil and gas industry, for example, has suffered enormously under NATO's strikes. While the stated aim of those attacks has been to choke off fuel to the armed forces operating in Kosovo, the strikes must also be a blow to Dragan Tomic, the director of Yugo Petrol, who as speaker of the Federal Parliament in Belgrade is a close ally of Mr. Milosevic.

On April 9, a missile strike destroyed the Zastava automotive plant in Kragujevac. Its director, Milan Beko, has served under Mr. Milosevic as minister of privatization.

Four days earlier, NATO struck a tobacco factory and warehouse in Nis, and damage to tobacco factories has been reported in other cities.

According to American intelligence reports, a major player in Yugoslavia's tobacco distribution is Mr. Milosevic's son Marko.

So far, economic and industrial targets have made up only a small portion of NATO's targets. Of the roughly 200 targets attacked since the air war began on March 24, only a dozen have been strictly industrial sites, like factories. That percentage grows when those targets are combined with fuel storage and ammunition factories.

As NATO presses on with bombing that has

done little to stop the expulsion of ethnic Albanians from Kosovo, some NATO and Pentagon military leaders have advocated striking still more economic and industrial targets, the officials said.

These commanders, including the alliance's supreme commander, General Wesley Clark, believe that NATO has to increase its efforts to undermine Mr. Milosevic's 11.5-year grip on political power, first in Serbia and then in the Yugoslav political superstructure.

"If we continue sustaining this air campaign and intensifying it in a way that he sees he is slowly but surely starting to lose those instruments of power that keep him in power, then he's going to have to make a decision," Secretary of Defense William Cohen testified on Capitol Hill last week.

The chairman of the Joint Chiefs of Staff, General Henry Shelton, disclosed that NATO's political leaders had not yet approved a small group of targets that he grouped together under the objective "decimate." He said NATO warplanes could begin striking such targets "in a few days."

General Shelton declined to identify those targets, but the highly classified list includes

additional industrial and economic sites, according to a senior administration official.

Attacking those targets would carry a much higher risk of civilian casualties and would cause the kind of profound disruption of day-to-day life for ordinary Yugoslavs that NATO has so far sought to avoid, that official said.

Such strikes could also undercut NATO's stated rationale for its bombing: to degrade the military and police forces involved in the killings in Kosovo rather than wage war on the people of Yugoslavia.

Nevertheless, the Pentagon and NATO are looking for ways to intensify pressure on Mr. Milosevic's government. "We're trying to make the price higher and higher," a senior official said. "And there are lots of ways to do that."

While not aiming directly for Mr. Milosevic, American and NATO officials say they are targeting what they describe as his four pillars of power—the political machine, the media, military and security forces and the economic system.

A senior American military official said the targets on NATO's list included strikes at "the things that keep him afloat." The idea, the official said, is to instill fear in those whose economic standing depends on Mr. Milosevic, to make

them think "we didn't bargain for this."

"If you can achieve that mindset, then who knows what will happen?" the official said.

President Milosevic appoints the executives of each of the country's monopolies, many of whom also serve as government ministers.

Dejan Kovacevic, the minister of construction, also heads Mastrogradje, one of the country's largest construction companies.

Zivota Kotic, the minister of energy and mining, also heads a natural resources concern called Duvanska Industrija Nis. Nis is southern Serbia's largest city, and has been a repeated target of NATO bombs.

Another state-run industry that has been severely disrupted is ammunition production, which is overseen by an umbrella organization headed by Major General Jovan Cekovic.

Although the industry has a clear military function, it has also historically provided Yugoslavia with hard currency, and the destruction of the plants has crippled another source of profits for people close to Mr. Milosevic, officials say.

NATO maintains that each of its targets has military value, even if some have a civilian use, too.

In Wreckage of Bridges, Serbs See War on People

By Steven Erlanger
New York Times Service

NOVI SAD, Yugoslavia — Army-green barges ferry people across the Danube now, under what would have been the shadow of the Varadinski Bridge.

Early in the morning of April 1, NATO planes destroyed both spans of the bridge, linking Novi Sad with Petrovaradin and its famous medieval fortress, which hugs the heights commanding the river. On April 3, NATO planes destroyed a second, newer bridge, leaving one narrow span, though damaged in one lane, for vehicle and railroad traffic.

The wreckage has also completely blocked the Danube, trapping dozens of ships and tons of freight on either side of Novi Sad, about 100 kilometers (60 miles) northwest of Belgrade. Every year, about 10 million tons of goods, mostly grain, coal and ores, travel up and down the Danube.

NATO officials said the bridges were a crucial resupply link from rich northern Vojvodina to Yugoslav forces fighting in southern Kosovo. But Serb officials, and outraged citizens, saw the destruction of the bridges as the beginning of what they consider to be NATO's targeting of civilian infrastructure.

The students of Novi Sad, Serbia's second-largest city and the capital of Vojvodina, began a protest campaign, including a nightly vigil on the last remaining bridge, to try to keep the North Atlantic Treaty Organization from destroying that one, as well.

For Nenad Kotovic, a literature student of 25 with muscular dystrophy, the loss of the bridges is more than a cultural loss. He is supposed to get regular treatment at a hospital in Petrovaradin, he said Monday. "and how much I go there?"

In fact, he admits, he still can go, but with enormous difficulty. Traffic is restricted on the last of Novi Sad's bridges, he said, and people are so crammed onto the ferry, standing all the way, that it brings on attacks.

"This is useless destruction," he said. "What have these bridges to do with

Kosovo? It's just a form of torture for the Serbs."

He spoke just by the edge of the bridge, which now shows a sculpture display of large papier-mache skulls and other imagery, including two wolves locked in combat and a Giacometti-like figure holding what appears to be the sacrifice of a Paschal lamb, given the recent occurrence of Orthodox Easter.

Mr. Kotovic was drawn here out of curiosity when he saw a busload of journalists scurrying around. Brought on another tour of NATO bomb damage by the Yugoslav Army Press Center, the reporters were told by their minders: "This is a group regime. No one is allowed to work on their own."

But as usual, the minders were not terribly strict, though time here was short. The purpose of the visit was to show the damage inflicted early Monday morning, by a NATO missile, to a lovely Modernist building, constructed in the late 1930s, that houses the Vojvodina provincial government.

The missile nearly missed the building altogether, hitting the top floor and causing relatively moderate damage, although a lot of glass was broken throughout and plaster fell in huge chunks from ceilings. A chunk of beige missile, with a red stripe, bore the number: EB02318.

When reporters arrived, employees, who were not in the building when the missile hit at about 1:30 A.M., were carting out computers and electrical typewriters. They also had salvaged a metal bust of Tito, whose Yugoslavia has been dismembered over the last 10 years of fratricide.

Presuming the missile was not aimed at something else, the attack outraged the head of the province's executive council, Bosko Perosevic, who called it "an attack on Europe itself, on one of the finest administrative buildings in Europe." He called it "a special shame for the European countries of NATO" and insisted that it is "a purely civilian building."

There was no evidence that the building contained anything other than offices.



President Boris Yeltsin, meeting Monday in the Kremlin with Russian journalists, discussed Kosovo later on the phone with President Clinton.

CONVOY: NATO Admits Role in Deaths

Continued from Page 1

military campaign. That is the result not only of inconsistent Yugoslav charges, fueled by reporters' visits to the scene arranged by Belgrade, but also of contradictory statements by the senior NATO military commander, General Wesley Clark, and conflicting accounts of the raid by Pentagon and NATO spokesmen.

The briefing Monday marked the first time that NATO military officials had acknowledged that warplanes might have killed fleeing refugees in a huge convoy of vehicles south of Dakovica. "It is possible there were civilian casualties at both locations," General Leaf said.

Still, for all of the detail about attack profiles, descriptions of the laser-guided bombs that were used and the aircraft involved, and conversations between the pilots and controllers, the briefing left some important questions unanswered.

How many civilians may have been killed? Were they all killed by allied planes, or were some killed in attacks by Serb forces? And is it possible to distinguish between civilians from military targets at the altitude at which NATO planes operate? Can NATO reduce the risk of hitting civilians without hampering its attacks on Serbian forces?

The NATO raids April 14 were complex. As General Leaf explained Monday, there were two target areas: a group of vehicles north of Dakovica and a huge convoy of 100 vehicles southeast of the town. The episode began about 12:30 P.M. local time, when a pair of U.S. F-16s observed ethnic Albanian villages being burned near the town. The episode was

first documented last week at NATO, when alliance officials took the unusual step of playing a taped interview with a pilot, though the briefing Monday and interviews with allied officials added new details.

One of the F-16 pilots saw people running from a house that burst into flames and jumping onto the vehicle, which NATO officials said may have been a tractor. He attacked the vehicle with a laser-guided bomb, destroying it. Serb television later showed destroyed tractors at that site, raising the possibility of civilian casualties.

NATO's principal disclosure Monday was of an attack later in the day on a large convoy of more than 100 vehicles. That raid involved several sets of aircraft, including F-16s, Jaguar bombers, A-10 observers, as well as a flying airborne command and control aircraft. From the start, General Leaf insisted, the pilots were worried about the possibility of civilian casualties. They had never seen such a long convoy before.

It was not easy for the pilots to identify the vehicles in the column from high altitude. Potential targets are shown in the F-16 cockpit on a small display in shades of green. A pilot has to look out the cockpit to see the color of the vehicles below. He cannot use binoculars because the cockpit is too small, officials said.

As was the case with the F-16 patrol north of Dakovica, the F-16s were flying air controllers, whose mission was to carry out strikes and coordinate attacks by other planes. A number of factors led them to conclude that it was a military column. The vehicles at the front were moving quickly, leading the pilots to believe they were not tractors.

Further, the command and control plane alerted the other aircraft that the column was made up of Yugoslav military vehicles.

The two F-16s attacked the convoy, destroying one vehicle. They called in strikes by two Jaguar planes, who missed the convoy. The F-16s ran low on fuel and were replaced by other F-16 planes, which came under Serb anti-aircraft fire.

Suddenly, there was an ominous warning. The command center in Italy asked the planes to check the targets again. General Leaf did not explain why the alert had been given. He acknowledged, however, that a British Harrier pilot had at about the same time that one convoy contained refugees.

A pair of A-10s, which had been flying over the eastern convoy, entered the area. Using binoculars, they saw that military vehicles had been struck, but that civilian vehicles also had been present. By then seven bombs had been dropped in the attack on the convoy south of Dakovica, though not all of them hit their mark.

General Leaf insisted some military vehicles had been hit. Others appear to have been tractors.

"As we watch these videos in the comfort of this room and on a large display, it appears possible the vehicles are tractors—or tractor-type vehicles," he said. "As I reviewed the tapes with the pilots, they agreed. However, they were emphatic that from the attack altitude, to the naked eye, they appeared to be military vehicles. And again, the physical characteristics of the vehicles were only one factor in the forward air controllers' target identification matrix."

NATO: Flow of Kosovar Refugees Mysteriously Slows to a Trickle

Continued from Page 1

cow would send no more warships to the Adriatic.

In a 50-minute phone conversation with President Bill Clinton, Mr. Yeltsin offered renewed Russian efforts at mediation. Western officials said that Moscow seemed to be looking for a way out of its diplomatic isolation as the sole foreign backer of Slobodan Milosevic, the Yugoslav leader.

Mr. Yeltsin gave a foretaste of his thoughts in televised comments before the phone conversation. "Bill Clinton hopes to win," Mr. Yeltsin said. "He hopes Milosevic will capitulate, give up the whole of Yugoslavia, make it America's protectorate."

But "we will not allow this," he said, adding: "This is a strategic place, the Balkans."

NATO air strikes, hampered by adverse weather, hit government buildings in Novi Sad, Serbia's second-largest city, and a television transmitter in Kosovo.

The air war, now in its 27th day, would ultimately pay off, NATO's chief spokesman insisted. "Since when was a dictator defeated in 24 hours?" the spokesman, Jamie Shea, asked at a daily briefing in Brussels.

"Dictators," he added, "are not very resilient. Once the system starts to crack, it will start cracking quickly."

But Mr. Milosevic's defiance and the tenacity of Serbian forces appeared to

exasperate U.S. officials engaged in the public relations struggle with Belgrade, with Joe Lockhart, the White House spokesman, telling reporters at a Washington briefing to be more skeptical of Belgrade's claims.

Reacting to suggestions that he, too, was engaged in propaganda, Mr. Lockhart said that he was trying "to put the best face on things, but Belgrade is simply engaged in outright lies about developments on the ground."

Meanwhile, Albania's ambassador to NATO accused Serbian forces of shelling his country daily and said Albania was braced for wider attacks.

"We don't want a war, but we are prepared for the worst," the ambassador, Artur Kuko, said in Brussels. "We are not alone."

The majority of Kosovo Albanians who have fled or been forced out of the Serbian province since NATO air strikes began March 24 have entered Albania—365,000 of more than 600,000.

"It's very clear that there are large numbers of more people who would like to come," a UN refugee spokeswoman, Paula Ghedini, said in Macedonia.

"Either new fighting is preventing people from crossing or Serbs are preventing them from crossing the border."

The handful of refugees who crossed into Macedonia on Monday said many more had been turned back by the Serbian police.

At the country's main border crossing point into Macedonia, Blace, two tractors hauling trailers crowded with

refugees were observed heading back from the border into the hills.

NATO reported that all its planes returned safely overnight from the day of air strikes, although a Danish F-16 patrolling Bosnia in conjunction with the air strikes made an emergency landing at the Sarajevo airport on Sunday night because of what NATO officials said was an engine problem.

The state-run Tanjug news agency reported four powerful explosions early Monday in Baric, site of a chemical plant 20 kilometers southwest of Belgrade.

A missile also slammed into and damaged a provincial government building in the heart of Novi Sad, Tanjug reported, and other missiles reportedly struck the towns of Paracin, the site of a major Yugoslav Army barracks, and in Kraljevo and Srebrenica Mitrovica.

In other developments: Rebel fighters of the Kosovo Liberation Army captured three soldiers from the Yugoslav Army and planned to turn them over to NATO officials, a KLA spokesman, Lumin Bakalli, said in Albania. One of the three was said to be a Russian wearing a Yugoslav Army uniform. They were captured last week during fighting near Junik, Kosovo.

Secretary of State Madeleine Albright said the Clinton administration was seeking NATO support to prevent "outside powers" from delivering oil to the Serbian military through ports in Montenegro. She neither elaborated nor ruled out a naval blockade.

(AP, Reuters, AFP)

CNN Tells Peter Arnett He's No Longer Wanted

By Bill Carter
New York Times Service

NEW YORK — When bombs fell on Baghdad in 1991, he was there, live, describing the action in what became the defining achievement for CNN; but when the bombs began falling on Belgrade last month, Peter Arnett, the most recognizable correspondent in the history of the all-news network, was nowhere to be seen.

Nor is he likely to be seen again on CNN. The network is planning to exercise an exit clause in Mr. Arnett's contract in July, Mr. Arnett said, effectively dismissing him with two years left on his five-year agreement.

Two CNN executives, speaking on the condition of anonymity, also said Mr. Arnett's contract would be terminated. Other CNN executives refused to discuss any aspect of Mr. Arnett's status. Tom Johnson, the chairman and chief executive of CNN, did not return phone calls seeking comment.

Mr. Arnett, who has hired a lawyer to try to work out a settlement, said: "I don't want to fight with CNN. I've worked there for 18 years. I love the organization."

The love is apparently no longer mutual. The decision to terminate Mr. Arnett's contract ends the CNN career of probably the best-known foreign correspondent in recent television history. The move comes nine months after Mr. Arnett played a prominent role in what became an embarrassing debacle for CNN, when a much publicized investigative report for the inaugural edition of CNN's prime-time news magazine "CNN Newsstand" blew up in the network's face.

The report, titled "Tailwind," charged that a military operation in the Vietnam War included the use of the lethal nerve gas sarin.

After an internal examination, CNN declared the conclusions of the report

to be unsupported by the evidence. The network issued a public retraction and apology. Mr. Arnett was the co-author of the report. He was also listed as the co-author of an accompanying magazine article that ran in Time.

In the wake of the retraction, CNN dismissed both producers who put the report together, Jack Smith and April Oliver. Pam Hill, the senior executive producer in charge of "Newsstand," resigned. Even Mr. Johnson offered to resign, an offer that was refused by Gerald Levin, the chairman of CNN's parent company, Time Warner Inc., and Ted Turner, the founder of CNN, who is now vice chairman of Time Warner.

Mr. Arnett, who won a Pulitzer Prize in 1966 as a correspondent for The Associated Press for his Vietnam coverage, came under the gun for his role in the Tailwind report. He argued with his CNN bosses that he should not be let go, because he had made minimal contributions, conducting only three interviews and making no decisions about the validity of the accusations. He received only a reprimand.

But the situation left Mr. Arnett in limbo at CNN. Two CNN co-workers said that Eason Jordan, the president of global news-gathering for CNN, was so angry with Mr. Arnett after the Tailwind report that he felt he could not use him any more. Mr. Jordan was one of the CNN executives who declined to return phone calls seeking comment.

Since July, Mr. Arnett has been seen on CNN only once. That was in December, when he filed a report from Algeria. Even then, CNN used only one of five reports he filed from that country, he said.

Mr. Arnett said in a telephone interview that he had asked to cover the war in Yugoslavia, "but CNN has not seen fit to send me there."

For a Kosovar Editor, an Underground Odyssey

By R. Jeffrey Smith
Washington Post Service

ETETOVO, Macedonia — Baton Haxhiu heard the news of his death broadcast live from NATO headquarters while sitting in the darkened living room of a friend's apartment in Pristina, the Kosovo capital. Outside, Yugoslav troops and Serbian militiamen roamed the streets, firing into the air as Mr. Haxhiu hunkered down with three other ethnic Albanians, all fearing for their lives.

Five days earlier, Belgrade government security agents had trashed the office of the independent ethnic Albanian newspaper that Mr. Haxhiu edits, Koha Ditore, and executed its security guard. After hearing NATO's erroneous announcement on March 29, Mr. Haxhiu recalled in an interview here last week, he feared the government would redouble its efforts to catch him and plant him in front of a TV camera just to prove NATO wrong.

Mr. Haxhiu said he was convinced he had to leave his apartment and find a place to hide, a task he said was complicated by the lawlessness and fear that had gripped Pristina and made its residents reluctant to shelter someone who was a government target.

Since NATO began bombing Yugoslav military targets on March 24 and Serbian-led Yugoslav forces launched an all-out campaign to force Kosovo's ethnic Albanians from their homes, many intellectuals and other leading figures there have shared the experience of living as fugitives on the run, never knowing which day might be their last.

Western officials say that security forces have killed at least three Kosovo political leaders and that many

others remain in hiding in the belief that their names are on a hit list.

One of those killed was Bajram Kelmendi, a prominent civil rights lawyer who had secretly funneled information about atrocities in Kosovo to the international war crimes tribunal in The Hague. Mr. Kelmendi and his two sons were seized the day after the NATO bombing began; their bodies were found at a gas station on the edge of Pristina on March 26.

Also slain were Agim Hajrizi, head of Kosovo's leading trade union, and Latif Berisha, director of the office of Kosovo's largest political party in the north, the party, is under house arrest in Pristina, according to a German journalist who was trapped with Mr. Rugova's family at his home until a few days ago.

Koha Ditore, publisher Vetton Surroi, was reported by the White House to have been slain, but he remains in hiding in Kosovo, according to sources here. Scores of other prominent ethnic Albanians have been able to slip out of the province only in the past week—many among the tens of thousands of people packed into refugee trains or who were able to flee by car.

During Mr. Haxhiu's period in hiding, he found shelter initially with a reluctant writer friend—residents of the city left their houses to buy food only between 9 and 10 A.M. It was then that electricity would be turned on in the city and he could watch CNN or BBC. "How is it possible?" he wondered after hearing the NATO briefing about his death. "I was shaking."

But he was too terrified to reveal he was alive, and he moved to the basement of another friend's house. Then, at 9:30 A.M. on April 2, uniformed soldiers wearing green masks walked through the streets or-

dering residents to leave within four minutes. Thousands flooded into the streets, and through his window Mr. Haxhiu saw a young woman standing with two children and her parents. He walked up to her and introduced himself, saying, "From now on, you are my wife, these are my children." She was astonished but agreed to go to the border with him in his car.

When he reached southern Kosovo, he pulled in behind what appeared to be about a thousand cars, waiting two abreast to be allowed to enter Macedonia. The line barely moved over the next four days, and security forces patrolled the area around the clock, extracting bribes from those stuck in the line to move closer to the border. Moving to the front of the line cost about \$5,000 in Deutsche marks, Mr. Haxhiu said.

One night, Mr. Haxhiu saw a few soldiers knock on the window of the car behind his, where two young women—aged 21 and 23—sat with their parents. The soldiers forced opened the doors and dragged the girls away after the father said he could not pay a \$5,000 bribe. "No one moved from their cars" to help Mr. Haxhiu said. "That was the worst thing."

When the girls were brought back two hours later, they slumped in the back seat while their parents wept. The next day, they asked that he "never forget and never forgive" what the soldiers had done, Mr. Haxhiu said.

He tried to remain anonymous, but word spread and eventually several men dispatched across the border by Arben Xhaferi, head of the largest ethnic Albanian party in Macedonia, arrived to pull him from the car and push him through a crowd at the border. Mr. Haxhiu said he plans to publish Koha Ditore in Macedonia and hand it out free to information-starved people at camps for Kosovo refugees in Macedonia and Albania.

EUROPE

Voting in Turkey Mirrors Kurds' Gap With Nation

By Stephen Kinzer
New York Times Service

ISTANBUL — Results in national elections Sunday underlined the gap that separates Kurds living in the impoverished southeast from the rest of Turkey.

In most of the country, the two top parties were the Democratic Left Party, led by Prime Minister Bülent Ecevit, and the ultrarightist Nationalist Action Party. Both oppose any compromise with the Kurdish movement, which they see as a threat to national unity.

But in southeastern provinces, the pro-Kurdish People's Democracy Party crushed all others. Although it will not be represented in Parliament because it failed to take 10 percent of the vote nationwide, its candidates were elected to govern six of the region's most important cities.

People's Democracy supports negotiations to end the armed conflict that has raged in the southeast for the last 14 years.

That idea is anathema to the two parties that won in the rest of the country. They insist that there is no independent Kurdish identity and no Kurdish problem in Turkey, only a problem of terrorism fomented by foreign powers.

Mr. Ecevit's first-place finish, with about 22 percent of the vote based on a count of three-quarters of the ballots, came as no surprise. But his victory was not decisive enough to end the political uncertainty that has hung over Turkey for the last few years.

Who will head the next government, and which parties it will include, remained unclear.

The strong showing of the nationalist party, which took about 18 percent, astonished even its own leaders. In the last election it had not even managed to pass the 10 percent threshold.

The Nationalist Action Party is based on the ideology of pan-Turanism, which holds that Turkic peoples from the Balkans to China are part of a single great nation. Its symbol is a gray wolf, a reference to an ancient legend according to which a gray wolf led Turkic tribes westward from their ancestral homeland in Central Asia many centuries ago.

There was no time when there were no Turks," the party's general secretary, Koray Aydın, asserted in a recent interview.

In the past, Nationalist Action has included strong strains of chauvinist nationalism. Its associated paramilitary groups are said to have been responsible for killing thousands of leftists, Kurdish nationalists and others during the late 1970s, a period of upheaval in Turkey that was ended by a military coup in 1980.

Following the death of the party's legendary leader, Alparslan Türkeş, in 1997, it began to fashion a new identity. Several fig-

ures associated with violent gangs were excluded from its list of candidates this year, and the new party leaders said they represented a modern form of nationalism that is compatible with European values.

The surge of votes for Nationalist Action was one of several surprises Sunday. The Islamic-oriented Virtue party, which some had viewed as the most potent force in Turkish politics, slumped unexpectedly to third place, with about 16 percent. It managed, however, to re-elect its mayors in the country's two largest cities, Istanbul and Ankara.

Both center-right parties, the Motherland Party and True Path Party, also lost strength. Motherland, led by former Prime Minister Mesut Yılmaz, finished fourth with about 13 percent, while True Path, led by another former Prime Minister, Tansu Çiller, followed with about 12 percent.

"The corruption of Yılmaz and Çiller has destroyed their two parties," the newspaper Sabah said in a front-page commentary. "Both of them should resign. Their mistakes have caused the radical right to grow, and this is not a healthy situation."

The country's oldest political grouping, the People's Republican party, which traces its roots to the founding of the Turkish Republic in 1923, polled less than 9 percent and will not be represented in the new Parliament.

Many votes for Nationalist Action evidently came at Virtue's expense. They were apparently cast by voters trying to show their dissatisfaction with the political establishment.

The election results also appeared to have been strongly affected by the change in national mood that followed the capture of the Kurdish guerrilla leader Abdullah Öcalan in February.

Mr. Ecevit profited from the fact that he was in power at the time of the capture. Nationalist Action fed the wave of aggressive jubilation that followed it, orchestrating rock-throwing attacks on Mr. Öcalan's lawyers and demanding his execution.

If there is a polar opposite to Nationalist Action, it is certainly the pro-Kurdish People's Democracy Party. Many of its members consider themselves Kurds first and Turks second. Its sympathy for Kurdish nationalism has led prosecutors to file a case aimed at dissolving it.

People's Democracy polled only 4 percent of the vote nationwide, but it won the mayor's race in Diyarbakir, the largest city in the southeast, and also those in the predominantly Kurdish cities of Bingöl, Batman, Siirt, Hakkari and Şirnak.

"The people voted for the party that is on their side," said Feridun Çelik, who was elected mayor of Diyarbakir.



Prime Minister Massimo D'Alema speaking Monday in Rome.

Voter Apathy Dooms Italy Political Reform

The Associated Press

ROME — Bitter over the narrow defeat of a referendum they believed would end decades of political instability, Italian government and opposition leaders alike expressed skepticism Monday that the system would ever be changed.

"Good-bye reforms," said Gianfranco Fini, leader of the rightist National Alliance opposition party.

Although 91 percent of those who cast ballots Sunday voted in favor of the proposed electoral reform, not enough people turned out to make the vote valid.

The turnout reached 49.6 percent, just short of the 50 percent plus one required.

Prime Minister Massimo D'Alema called the result a "loss for democracy." He criticized the tactics used by some opponents of the referendum who encouraged voters to stay home.

Since World War II, Italians have voted in 46 referendums aimed at bringing reforms that the fractious Parliament could not accomplish. Sunday's low turnout was interpreted by some as a sign that Italians have lost faith in the measure.

"Yesterday's vote was a cruel mirror of an Italy that has stopped believing in novelties, that has turned its back on political movements and that is tired of great reforms," wrote the Turin daily La Stampa.

The referendum proposed abolishing the proportional representation system used to divvy up 25 percent of the seats in the lower Chamber of Deputies.

The proportional system allows even tiny parties to wield enough

power to bring down a shaky coalition or thwart passage of legislation. It has been blamed for Italy's revolving door governments: 56 since the end of World War II.

Most parties in Mr. D'Alema's center-left coalition, and many in the opposition, backed Sunday's referendum.

Many small parties, which stood the most to lose, opposed the referendum, calling it no real cure for instability.

Among those who cried victory Monday were the Communists, the Greens, which are now in government, the autonomy-seeking Northern League and the centrist Popular Party.

"The problem remains as big as a house," said Marco Taradash, a conservative politician who was a prominent backer of the measure. "A great occasion on this day was lost."

While the quorum was reached in northern and central Italy, where 54 percent of voters turned out, only 43 percent voted in Italy's less developed south, lowering the national average.

But with close to half of the nation voting to change the system, some pressure will be on legislators to do something.

Many of Italy's leading politicians said a revamped electoral system might bring Italy in line with other European countries, which generally have fewer parties and a clear majority and opposition.

Ever since a 1946 vote that got rid of the monarchy, Italians have relied on referendums to push through reforms. Laws legalizing divorce and abortion were born out of referendum victories.

Q&A/Hubert Vedrine

France's Perspective On a Kosovo Endgame

Paris and Washington have achieved unaccustomed union over Kosovo. Foreign Minister Hubert Vedrine of France talked to Joseph Fikient of the International Herald Tribune about the progress of the military campaign and outlined French thinking about a political settlement.

Q. The air war seems slow and restrained. Shouldn't NATO find ways to hit harder — perhaps a ground attack in part of Kosovo?

A. The alliance has a specific shared objective and we adopted the means that fit our goal. A ground offensive was considered, and all the allied governments rejected that option as too complicated, even more so than the strategy we've adopted, too long to set up, too costly in terms of human lives on all sides — including the lives of Kosovar Albanians.

Q. But can Kosovo be saved without taking the war to the regime in Belgrade?

A. We have to pursue our objectives one at a time. Our general goal, shared by all the Western countries, including the Russians, I believe, is to see ex-Yugoslavia come into line with European norms and become democratic. That means a change of regime in Serbia.

But that long-term objective is different from the air strikes' purpose, which is to break the military strength that the regime is using for repression. Public opinion understands these limits and backs what we're doing.

Q. Public opinion also seems impatient.

A. Our plans were designed as a progression in which the air strikes become increasingly widespread, intense and effective. We're not going to add new categories to our list of targets, but we're going to enlarge the number of targets. We mustn't attempt to change strategies. At the outset, all the military experts committed a collective error of judgment in promising that the war would be short. We shouldn't make the opposite mistake now of predicting that the war will last indefinitely. The multiplier effect in our air strikes is starting to show. We need one thing: perseverance.

Q. The air strikes seem to put the Serbian population more strongly in tune with their leader, Slobodan Milosevic. Is a harsher Western military blow needed to bring home to people the consequences of what they've done, perhaps shock them to their senses after living in denial about the outside world for several years?

A. For 10 years, in fact, ever since Mr. Milosevic seized on the Kosovo issue to propagate the backward-looking nationalist delusions that have done such harm to the country he runs. Someday the people of Serbia will have a place in Europe, but right now they have developed a mood of paranoia — which existed before the air strikes but has worsened.

After a decade in which Serbian leaders have misled their people so badly, Western governments can't operate in terms of collective guilt, we can't make war on a people. We did not intervene to change the regime in Serbia; we intervened because the Kosovo situation was intolerable. Now we have to work for solutions, not think about punishment. It's going to take the Serbians a long time to recover and we're somehow going to have to manage for them — until they are again ready to take responsibility for themselves.



Foreign Minister Hubert Vedrine

Q. Anti-Americanism is a strong undertone in some French criticism of NATO's action and of France's role in it. Critics suggest that the military intervention was masterminded by Washington to demonstrate that Europe still depends on U.S. power. Could you have done more to dispel the conspiracy theory?

A. I'm never bashful about publicly discussing France's relations with the United States and I'm innovative, I think, in getting away from the old idea, still held by some, that our relations are a zero-sum game where the Americans are trying to impose their global strategic imperatives and the Europeans simply trying to thwart Washington whenever they get the chance. That's not the way I see it.

True, there are cases where the United States insists on getting its way, and there are cases where France or the allies are bent on proving that there are limits to U.S. influence. This situation, concerning Kosovo, is a third kind of dynamic — real cooperation.

For me, it's a striking aspect of this crisis: In contrast to Bosnia, there's been no major discord at any point among Europeans or between Europeans and the United States. It doesn't happen often, but this time we've had a remarkable identity of views on the cause of the problem and what to do about it — followed up constantly with real consultations to maintain cohesion. There is no truth in any suggestion that the United States somehow imposed its own agenda on Europe or that the Europeans ran to the Americans for help.

Q. How do you see the endgame over Kosovo?

A. No Western government is going to send troops there as an invasion. Ground forces would only be deployed in the context of a political solution.

That "solution" doesn't necessarily imply "agreement": The Security Council has powers to impose solutions even against the will of a sovereign state. Our scenario centers on a Security Council resolution that lays out a political settlement for Kosovo and orders an international military force to help implement it. It would not require Mr. Milosevic's consent.

Q. And the contents of the settlement?

A. It would keep some features of the Rambouillet plan — for example, autonomy for Kosovo. Independence would have unacceptable consequences. An international military force will be more necessary than ever. And we can't let the Serbian government station even token forces there now. A key new element is the notion of some kind of temporary international authority over Kosovo.

All of these components can be worked out, including the exact definition of the transitional arrangement for Kosovo. Our basic idea is that all this should be done under the auspices of the Security Council to provide the legitimacy we need. We must involve several international bodies. There's a role for NATO for effectiveness in the implementation force, but we would also like wide participation, notably Russian forces, and also neutral nations. We'll have to find a formula.

What we don't want is a so-called dual-key system of the sort that was tried in Bosnia: there has to be clear chain of command. And we'd like to see the European Union handle the civil administration of Kosovo during this period. All these details must be worked out.

Q. The Security Council won't be paralyzed by Russia?

A. We have consensus among the Western allies. The Russians aren't there yet, partly because of their domestic political situation. But Moscow hasn't broken contact, they want to be involved, so I'm hopeful.

BRIEFLY

Berezovsky in Hospital

MOSCOW — The controversial business tycoon Boris Berezovsky, who faces a money-laundering investigation, checked into a hospital with back pains and did not undergo questioning by prosecutors as planned, his lawyer said Monday.

Mr. Berezovsky returned from France on Sunday aboard his private jet after Russian prosecutors canceled a warrant for his arrest. His lawyer, Genrikh Reznik, said his client prevented him from meeting with prosecutors Monday for questioning. Mr. Berezovsky was expected to remain hospitalized for up to one week.

Prosecutors are investigating whether Mr. Berezovsky used a Swiss company, Andava, to illegally transfer \$250 million in hard currency earnings from Russia's largest airline, Aeroflot. Mr. Berezovsky insists he is innocent. (AP)

Ulster Talks to Go On

LONDON — Talks aimed at overcoming the deadlock in the Northern Ireland peace process will continue despite the failure to achieve any progress, a spokesman for Prime Minister Tony Blair said Monday.

As the main parties from Northern Ireland began separate meetings at No. 10 Downing Street with Mr. Blair and his Irish counterpart, Bertie Ahern, the British government insisted there was no question of suspending negotiations.

"There will be more talks, we're only going to achieve this through dialogue," the spokesman said. "We're not parking the agreement, the discussions continue." The spokesman also told a press briefing that London had ruled out forcing through implementation of the Good Friday peace agreement. (AP)

No Halt in Y2K Talks

MOSCOW — A Pentagon official said Monday that Russia and the United States were still cooperating closely on the so-called Y2K millennium computer bug problem, denying a previous report that Russia had pulled out.

"Nothing relative to the Y2K has been

formally called off or suspended or anything," Rosanne Hynes, head of the Pentagon's Year 2000 Committee, said at a Moscow conference on the problem.

The news agency Interfax reported last month that Russia, outraged by NATO air strikes against Yugoslavia, had called off cooperation on the problem.

Russian and U.S. experts both say it is virtually impossible for the bug to spark an accidental nuclear launch. But they have suggested that both sides take extra precautions to prevent a computer glitch from causing a false alarm. (Reuters)

MiG Spare Parts Late

BUDAPEST — Hungary, a new member of NATO, is still awaiting Russian spare parts for its MiG-29 fighters, due last December, Defense Minister Janos Szabo said Monday.

"Russia proved to be an unreliable partner," Mr. Szabo said at a news conference. "The Russian firms are behind in their deliveries promised for December."

Hungary has 26 MiG-29s. Its ground forces also use mostly Russian-made equipment, such as T72 tanks and BTR 80 armored personnel carriers. (Reuters)

Cigars Found Guilty

GENEVA — Smoke from cigars and pipes can be just as damaging to health as cigarette smoke, a study by the World Health Organization said on Monday.

Attacking the glamorous image associated with cigars in particular, a top tobacco fighter at the health organization said the study showed governments should treat cigars and pipes like cigarettes, with advertising bans, strict health warnings and high taxes.

The study found cigar-smokers were nine times more likely to develop lung cancer than nonsmokers, while pipe-smokers ran an almost eight-fold risk of developing the disease.

Derek Yach, the head of the WHO's Tobacco Free Initiative, said cigarette-smokers' chances of developing lung cancer were higher still, but this was because they inhaled more smoke directly, not because the smoke itself was any more damaging. (Reuters)

WTO Leaves Sanctions Timing Open

By Elizabeth Olson
New York Times Service

GENEVA — The World Trade Organization gave the United States approval Monday to impose \$191.4 million in tariffs on European Union goods in the long-festering dispute over banana imports, but it left open the question of the effective date of the punitive sanctions.

It was the first time in its four-year history that the trade body approved such a retaliatory measure. Its predecessor, the General Agreement on Tariffs and Trade, approved punitive sanctions once.

In a dispute dating back six years, the

United States said that the EU discriminated against bananas from central and Latin American countries, which are exported by American companies, in favor of those from former European colonies, mostly in the Caribbean.

Roderick Abbott, head of the EU trade delegation in Geneva, told the three-person WTO arbitration panel that the 15-member EU would not oppose the U.S. sanctions but disputed the effective date.

"It is normal that a decision applies from the day that it was taken," Mr. Abbott said outside a closed-door gathering of the WTO.

U.S. officials have said consistently that they planned to make the sanctions

retroactive to March 3, the date when it began to require importers to post bonds for the tariffs.

Rita Hayes, the chief U.S. trade envoy in Geneva, said that notice of the tariffs would be posted in the Federal Register on Monday. The 100 percent tariffs will be levied on nine types of products, including German coffeemakers, bed linen, French plastic handbags, lithographs, cardboard packing materials and lead-acid storage batteries.

EU and U.S. officials are to meet Wednesday to try to agree on a date for the sanctions to take effect, a negotiation that is sure to be difficult. The interests of the two sides, Mr. Abbott said, "are diametrically opposed."

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Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Ends and Means in Kosovo

It's inevitable in a democracy with a free press that an allied bombing accident that kills dozens of civilians will garner as much attention as an adversary's murder of hundreds or even thousands of innocent people.

The concern is legitimate; NATO should be pressed to account for its actions. But it's also important not to lose sight of the larger point: The victims of NATO's mistakes were on the road, like hundreds of thousands of others, because the troops of Slobodan Milosevic, off-camera, are burning villages, killing men, raping women and terrorizing children throughout Kosovo.

If NATO's mistake struck a nerve in the United States and Europe, it was not only because of the deaths of civilians made victims twice over. The reaction also reflected widespread and legitimate unease among American and European publics about whether NATO's tactics are suited to its goals and whether those goals are, in fact, the proper ones.

This unease should come as no surprise. NATO's bombing campaign in its first 25 days has not achieved success. If it has not, it certainly has been accompanied by increased suffering in Kosovo, repression in Serbia and instability in neighboring lands. NATO and Clinton administration officials have been less than forthcoming about what the bombing has accomplished and less than consistent in describing their aims and tactics. Last week's sudden and seemingly desperate invocation of the Kosovo Liberation Army as a possible factor in their calculations was but the latest example of this slip-sliding.

So a review of ends and means is in order. The first thing to be said is that, in this terrible situation, there are no attractive options, and none without risk. Slobodan Milosevic is a malevolent and capable foe. Throughout this decade, he has instigated crimes against humanity on a terrible scale: mass killing, mass rape, mass expulsion. His ethnic cleansing in Kosovo began 14 months ago, long before NATO's campaign. To stand by and allow him to continue was not, and is not, an option.

It might follow, then, that Mr. Mi-

losevic himself should be the target of NATO's campaign. It is true that as long as he and his poisonous brand of nationalism govern Serbia the Balkans will not be stable.

But it is a leap from there to advocate the capture of Belgrade. Militarily, it could be done, but then what? NATO troops would find themselves unwanted occupants of an unfriendly nation for an indefinite period. It is a prospect to give pause.

The goals that NATO and President Clinton now have set out are more modest. Mr. Milosevic must withdraw his troops from Kosovo, and expelled Kosovars must be allowed to return to their homes, under international protection, to rebuild and self-govern. After Serbia's monstrous ethnic cleansing, still going on, nothing less is imaginable. This is not a perfect solution. It would leave Mr. Milosevic in place, at least for a time, to cause trouble. It would have to be combined with a broader policy: support for Montenegro, Macedonia and other neighboring states; a reaching out to the Serbian people; isolation and indictment of Mr. Milosevic himself.

And it almost certainly would require a long-term presence of NATO troops, with all the potential costs and risks. But it is the least-bad of available options.

Mr. Clinton had hoped that a short air war would accomplish this goal; it did not. Now it is time to adjust. NATO is right to pursue the bombardment with increasing vigor. The gradual degradation of Mr. Milosevic's military, and of his capacity to wage aggression elsewhere, is a worthy goal. The bombing also may, as NATO still hopes, persuade Mr. Milosevic to withdraw from Kosovo.

But it may not, and it is essential that NATO plan for that possibility too. Ground troops may be needed. It will take weeks to assemble a sufficient force.

Their deployment, and the seriousness of purpose thereby revealed, might in fact lessen the likelihood of eventual ground combat, but an easy way out should not be assumed. Wishful thinking is not a strategy. The mobilization should begin now.

—THE WASHINGTON POST.

Mahathir's Disgrace

In much of East Asia, spring this year is accompanied by appropriate signs of hope after nearly two gloomy years. Especially in the region's democracies — South Korea, Thailand — there are early indications of economic recovery after the financial collapse that began in July 1997.

Sadly, a country that once led the way in stability and prosperity, Malaysia, seems to be stuck in reverse.

The chief cause of Malaysia's problems is its longtime ruler, Prime Minister Mahathir bin Mohamad, 73, and the chief symbol of its trouble is the six-year jail sentence imposed last week on his longtime protégé, Anwar Ibrahim, 51. Like many leaders who stay in power too long, Mr. Mahathir has increasingly surrounded himself with yes-men.

Mr. Mahathir has gradually corrupted Malaysia's judiciary. He has sought absolute power at the expense of his country. And when financial collapse threatened his achievements last year, he lashed out at any scape-

goats he could find — Jews, Westerners, Mr. Anwar.

Mr. Anwar, then deputy prime minister, advocated recovery through reform and gradual liberalization. Mr. Mahathir apparently felt threatened by his deputy's popularity and his ideas. He fired him and then, thinking he could disgrace Mr. Anwar, levied a bizarre series of sex- and corruption-related charges against him. In the end, it was Mr. Mahathir who was disgraced.

Mr. Anwar was beaten badly while in custody. He was defamed viciously in the controlled press. He was not permitted to mount a serious defense.

Many Malaysians have taken to the streets to protest. Mr. Anwar's wife, Azizah Ismail, and other pro-democracy leaders have formed a new political party. The future is on their side. What cannot be predicted is how much more suffering Mr. Mahathir will cause others, and how badly he will embarrass himself, before Malaysia is allowed to meet that future.

—THE WASHINGTON POST.

The Great Wayne Gretzky

Just as the name Michael Jordan registered with those who pay no attention to basketball, so Wayne Gretzky infiltrated the consciousness of a much larger group of Americans who care little for professional hockey.

Athletes cannot do that unless they are transcendently good. Mr. Gretzky was that good, over a 21-year career that began in Edmonton, Alberta, and ended with one last appearance in a New York Rangers uniform at Madison Square Garden in New York on Sunday.

The numbers tell only part of the story. He holds the record for points scored with 2,856, including an astounding 1,962 assists, a testament to his uncanny ability to find the open man and make the perfect pass.

He was voted hockey's most valuable player nine times and led the Edmonton Oilers to four Stanley Cups.

Traded to Los Angeles in 1988, he is seen as a kind of Johnny Appleseed of the sport, spreading what was essentially a Canadian game to America's Sun Belt.

But what truly set Mr. Gretzky apart from most hockey players was his awareness. In a game known for strength and speed, Mr. Gretzky was neither strong nor particularly fast. He was small and slender — floating, as Jordan did, almost above the game, knowing at any given moment where the puck and the players were on the swirling ice around him and sensing, intuitively, where they would be a moment hence. Most hockey fans go to hockey games to root for their home team, and a few go to watch the fights. But some went just to watch Mr. Gretzky, who played a game all his own.

—THE NEW YORK TIMES.

Republicans Rush to Turn Away From Isolationism

By Gail Collins

NEW YORK — The birth announcements for the new, isolationist Republican Party seem to be somewhat premature. True, there has been a lot of dark muttering about morasses and quagmires — Yugoslavia has been compared to every kind of bad-driving terrain known to mankind, except perhaps really deep potholes. But this is a congressional sentiment from the rapidly aging partisans of the Gingrich revolution, most perfectly articulated by the House majority leader, Dick Armey, the guy who declared that having been abroad once, he saw no reason to ever go back. The Republican candidates for president are a different matter entirely.

It is true that the field is split on what to do about Kosovo, but the avowed opponents of American involvement are all long shots like Pat Buchanan. The isolationists get more than their share of attention because their leading light is so eminently loud and quotable. Mr. Buchanan, who advocates less foreign intervention and more defense buildup, keeps seconding Otto von Bismarck's remark on how the Balkans are "not worth the healthy bones of a single Pomeranian grenadier." Talk-radio aff-

cionados may be familiar with this reference, but most Americans have got to be thinking about an army of small fluffy dogs.

Meanwhile, the real Republican field seems to be getting more hawkish by the day, possibly because the Kosovo crisis has worked so well for Senator John McCain, the Republican presidential candidate who has been the most outspoken voice for engagement. Mr. McCain has been winning the talk-show war. A Vietnam War hero, he is perhaps best positioned to get away with expressing confidence about how quickly American troops and equipment could beat a small country with a second-rate military. His reputation as the one (non-Buchananite) Republican who is not afraid to say what he thinks seems to be impressing the public, although to Washington insiders, demonstrations of Mr. McCain's propensity for straight-talking are superfluous. This is the man who is planning to run in the Iowa primary as the Republican who led the battle against subsidies for ethanol, an uneconomic corn-based fuel.

Governor George Bush of Texas, the man with all the money and all the endorsements and all of just about everything except positions, clocked in late on Kosovo, with the air of someone who had just finished an all-nighter, poring over lists of major exports, historical highlights and regional cooking tips.

Earlier this month, Mr. Bush dissociated himself from the Amey school of you've-seen-one-continent-you've-seen-them-all. Slobodan Milosevic, he said, needs to be taught a "lesson" and NATO forces should be satisfied with nothing less than "an unconditional surrender." His only reservation, Mr. Bush added, was whether the bombing campaign was being done with enough "ferocity." He seemed to have been breathing deeply from that Alamo-enhanced air.

Elizabeth Dole has called on President Bill Clinton to build up and deploy "the forces necessary to win the war." Steve Forbes wants to expand the bombing and arm the Kosovars. Dan Quayle is dead set against ground troops, except that they might be inevitable. For ferocity, vagueness and grumpiness, none of them can hold a candle to Vice President Al Gore's only Democratic com-

petition, former Senator Bill Bradley. Mr. Bradley, you will be happy to know, has "serious questions about our policy" and is worried about "becoming bogged down in a quagmire."

It is ironic that all this effort at being forceful on foreign policy is now being directed at a military engagement engineered by Mr. Clinton. As a candidate, after all, the president's most memorable statement on foreign affairs may have been his explanation of how he would have voted in the Senate when George Bush needed support for the Gulf War. "I guess I would have voted with the majority if it was a close vote. But I agree with the arguments the minority made."

Most of the leading Republican candidates have histories that made it inevitable that they would land some where in the internationalist camp. But polls showing increasing American support for the effort in Kosovo may also have had an effect. Mr. Clinton has flummoxed the Republicans so often they may now suspect that the man who got the public to overlook adultery may be able to get the public enthusiastic about international quagmires, too.

The New York Times.

Autonomy for the Kosovars Is No Longer an Option

By John J. Mearsheimer and Stephen Van Evera

President Bill Clinton is still clinging to his position that NATO should accept nothing less than a settlement giving autonomy to the Albanian Kosovars inside Yugoslavia. But this goal is not only unattainable, it is also undesirable. Does anyone seriously believe the Albanian Kosovars and Serbs can live together again?

Instead, NATO should pursue a settlement that partitions the province, creating an independent Albanian Kosovo state. This state would control most of current Kosovo, while the Serbs would retain part of northeastern Kosovo. It could remain independent or unite with Albania if it chose.

Autonomy is a dead letter because the Serbs have shown their attitude toward cohabitation by their savage ethnic cleansing of Albanians in Kosovo. Moreover, the 600,000 refugees who have fled Kosovo since mid-March will hardly be willing to return to a province inside Serbia after the cruelty they just suffered.

Finally, the United States would have to station forces in Kosovo indefinitely to help NATO police any autonomy agreement. But America cannot afford to tie its military down doing such police work. The world is full of civil wars, and the U.S. military would soon be committed to peacekeeping.

The history of Yugoslavia since 1991 shows that ethnic separation breeds peace, while

failure to separate breeds war. Slovenia seceded from Yugoslavia with little violence in 1991 and has been at peace with itself and its neighbors. The key is its homogeneity: 91 percent of the people are Slovenes; less than 3 percent are Serbs.

Croatia fought a war of secession from 1991 to 1995, finally resolved when it expelled most of its Serbian minority. This expulsion set a poor example for how groups should separate, but it did bring an end to the Serb-Croat conflict. Separation did not end the hatred between Croats and Serbs, but it did stop the violence.

Bosnia saw fierce fighting among Croats, Muslims and Serbs from 1992 to 1995, then an uneasy truce under the Dayton accords. Dayton created a confederated Bosnia in which the three groups were supposed to live together. This has failed. Few Bosnian refugees have returned to their homes, and Bosnia still has no functioning central government. If the large NATO peacekeeping force in Bosnia were withdrawn, fighting would soon explode again.

Now Kosovo is consumed by a war that stems from hatreds born of the cruelties that Albanians and Serbs have inflicted on each other in the past. This war could have been avoided if they had been separated by political partition at some earlier point, when Slobodan Mi-

losevic might have been more amenable to the idea.

Under what circumstances would the Serbs accept such a partition today? The NATO bombing since March 24 has fired Serbian nationalism to a fever pitch, stiffening Serbian resistance to any compromise.

And the bombing campaign alone gives NATO too little coercive leverage to compel the Serbs to accept partition, since bombing by itself cannot defeat Serbian forces in Kosovo. Serbia always has the option of hunkering down and absorbing NATO bombing until NATO publicizes tire of it.

But Serbia may accept partition if NATO offers it carrots as well as the stick. To entice the Serbs, NATO should offer a "bargain" that partitions Bosnia as well as Kosovo — moving Serbia toward its dream of a homogeneous greater Serbia.

Under this grand bargain Serbia would concede most of Kosovo to the Albanians. In return, the Serbs would be compensated with a portion of northeast Kosovo that includes many Serbian historical sites. Serbia would also get the eastern portion of Bosnia, which is now populated mainly by Serbs. The rest of Bosnia would be transformed into an independent Bosnian Muslim state, save for the Herzegovina region, which would become part of Croatia. Finally, NATO

would lift all economic sanctions against Yugoslavia if the Serbs took the deal.

NATO would also need to put heavy pressure on the Serbs to get them to accept the breakup of Kosovo. In addition to bombing, NATO must also arm the Kosovo Liberation Army, so the Serbs are faced with the prospect of unending warfare in Kosovo unless they accept partition.

This is not a perfect solution by any means, but it solves several important problems. First, it provides the Albanian Kosovars with their own homeland, where they can live free of Serbian terror. Second, it solves the refugee problem.

Third, it requires no American troops in Kosovo, since the Albanians and Serbs would be living separate lives, and the Albanians would have guns to protect themselves. Fourth, partitioning Bosnia would allow the United States to pull its troops out of Bosnia, thus removing that albatross of permanent occupation from around America's neck.

Some warn that an independent Kosovo would spark secessionist violence among Albanians living next door in Macedonia. But an independent Kosovo would more likely dampen than spark violence in Macedonia. The main trigger for war in Macedonia will be the presence of a large, radicalized Albanian refugee population.

The solution is to achieve a settlement that returns the Al-

banian Kosovars to their homes. Only a partition offers such a settlement, and hence is more likely to pacify Macedonia than to inflame it.

Still, it may be that peace cannot be maintained in Macedonia. Macedonia's Slavic majority discriminates against the large Albanian minority, which makes up 30 percent of the population. If the Slavs refuse to share more equally with the Albanians, violence is inevitable. To forestall this, NATO should consider calling for a plebiscite to determine whether the Albanians want to remain in Macedonia. If not, Macedonia should also be partitioned. This is feasible because the Albanians of Macedonia are concentrated in western Macedonia, next to Kosovo and Albania.

Partition is an ugly formula for ending wars. It destroys communities and violates individual rights. It forces minorities that are trapped behind new borders to leave their homes. But there are only two other options in Kosovo: endless ethnic war or allowing the Serbs to win the war and cleanse Kosovo of Albanians permanently.

Partition is clearly better than these unacceptable choices.

Mr. Mearsheimer and Mr. Van Evera, who teach political science at the University of Chicago and the Massachusetts Institute of Technology, respectively, contributed this comment to The New York Times.

The Ground Troops Must Be Deployed Immediately

By Shep Lowman

WASHINGTON — Shame on America! In its first war, it has joined NATO in its first war; a war justified on the basis of its humanitarian objectives. Yet, that war is being run without serious reference to those objectives. It is designed to achieve certain political objectives in a manner calculated to minimize NATO casualties.

No one wants American or NATO casualties and the attempt to minimize them is a given. But, when the goals of the war cannot be achieved without casualties, they must be accepted. The original humanitarian goal of the war was to protect the Albanian Kosovars from Slobodan Milosevic's brutalities. Current NATO policies have placed well over half a million Albanian Kosovars at risk of death from execution, starvation and exposure. To save them will require a ground intervention.

This will cost more American lives than planned, but this situation is partly America's making and the United States cannot turn away from it.

Clearly, Washington and NATO failed to anticipate the extent and savagery of Mr. Milosevic's reaction to the bombing. Perhaps, they should have seen it coming. The Serbs have often threatened the ethnic cleansing of the Kosovo Albanians. But few people foresaw the extent of that reaction.

This planning failure had major and tragic humanitarian consequences and should have brought about a reordering of military plans. But this has not taken place. At least the possibility of such an attack by Mr. Milosevic and the need for a backup plan involving ground troops should have been fore-

seen. As the bombing started, Mr. Milosevic's troops were attacking Kosovo towns and villages, with more troops poised to enter Kosovo. Instead, even the air-ground-weapon of the Apache helicopters are not yet available. Intelligence units such as the remote-controlled eye-in-the-sky vehicles until recently used exclusively for the location of air defense and other similar targets despite their importance in defining the humanitarian problem and its needs.

War plans were originally developed in a manner to assure an absolute minimum of NATO casualties and these plans appear to remain basically unchanged. In other words, the original premise of the war planners has not changed. It was and is assumed that bombing will eventually become so

costly to Mr. Milosevic that he will bend to NATO's will and the strategy of bombing but no ground troops will continue until that goal is reached.

There is a legitimate debate as to whether air power can really achieve political goals in such a situation, as well as the question of whether the NATO alliance can remain united to such an end. But that debate is irrelevant. Already, Mr. Milosevic's attack on Kosovo's civilian population has forced over 500,000 refugees out of the province. Still worse, about 500,000 to 800,000 Kosovo Albanians remain in Kosovo but are internally displaced, most living without shelter and with no or fast dwindling supplies of food, water and medicine. Widespread and credible reports of executions, rape and other brutalities overwhelm us. The vast system of international relief is gone and Mr. Milosevic's men are passing out beatings and worse rather than meals-ready-to-eat.

This population is at the greatest of risk. Unless, in another of his turns of policy, Mr. Milosevic permits them to leave the province, the only salvation for most is a rapid

ground intervention by NATO. Even if bombing eventually forces Mr. Milosevic to agree to NATO's conditions, this will be too late for many. Unaccounted numbers are already dying and many more will die each day.

Of course, a hurried ground assault will cost more casualties than had been planned and, of course, that is tragic. But if American is to bring its power to bear on such humanitarian crises, it must be prepared to take casualties. Now that we are in it, we must carry it through. Certainly, Mr. Milosevic is the creator of this and the other Balkan catastrophes in our time. But, by undertaking an expedition based on false premises and with no backup plan, the United States has helped to create a situation now that threatens a half million lives. The United States must act now and act quickly or it will be to its lasting shame.

The writer, Refugees International's vice president for policy, has just returned from a humanitarian mission to Albania and Macedonia. He contributed this comment to the International Herald Tribune.

Aid and the Politics of Bangladesh

By Philip Bowring

DHAKA — Donor countries meet in Paris on Tuesday to discuss aid for Bangladesh. But they are just as likely to be talking about Bangladesh politics. Donors are so exasperated with the impact of political warfare on the economy, and with government misuse of power, that last month they made a joint complaint to the prime minister, Hasina Wajed, and copied it to her rival and predecessor, Khaleda Zia, head of the Bangladesh Nationalist Party.

The struggle between the two women is an old story, but the political climate has been deteriorating just when Bangladesh needs to take big decisions if potentially good prospects for economic advance are not to be frustrated by infighting by leaders who avow a commitment to liberal democracy but conduct affairs as a personal feud.

Political rivalries are at the root of three evils: A decline in law and order, spasmodic political violence and resort to *harkats* (general strikes) as a political weapon.

Enhanced corruption.

Government unwillingness to take economic decisions that would have benefits to the opposition. The democratic system is under stress as the opposition has resorted to hartal and boycotts of Parliament and local polls in response to the ruling Awami League's abuses of power. BNP activists have been harassed by the police, and parliamentary procedures distorted. Recent bombings indicate increased resort to political violence. A U.S. human rights report in February was highly critical, noting many extrajudicial killings and abuse of power by the police.

There is also concern that the Awami League still has the same authoritarian tendencies it showed when last in power — from independence to the assassination of Sheikh Hasina's father, Sheikh Mujibur Rahman, in 1975. The daughter has gone to great lengths to build Sheikh Mujib into a cult figure as "father of the nation."

There is probably scant danger of a return to those days. Sheikh Hasina has faced two challenges from the Supreme Court to her high-handed use of executive power. The BNP and other opposition parties are too strong to be marginalized. Voices of moderation are many in a society without major ideological rifts. At the BNP, a few, including the finance minister, have been critical of hartal — the weapon Sheikh Hasina previously used against Begum Zia — as the right response to Awami League strong-arm tactics.

However, both parties follow their leader obsequiously so there is little prospect of new leaders.

So Bangladesh stands at a crossroads. Bold decisions could lead to an economy which would amaze those who believed that it could never be viable. But continued bad governance will bring electoral democracy into disrepute and leave Bangladesh a nation of marginal importance dependent on aid.

Will the ladies ever listen? International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1899: Russia Railways

LONDON — A "Morning Post" leader on the Russian railway projects for the Trans-Caucasian and Trans-Caspian territories, says: "The struggle for Empire and for the possession of the undeveloped parts of the world, seems to have assumed the form of competitive railway enterprise. A contest formerly carried on by ships or merchant fleets or explorers is now to be decided with a more developed instrument, the steam engine. No power has grasped the value of railways with greater alacrity than Russia."

well-known American institution, to which leaders of the Turkish woman's emancipation movement owe their education. The new school of 2,000,000. All the equipment was imported from America. It was opened with fifteen women students.

1949: Red Front

MOSCOW — "Pravda," organ of the Soviet Communist party, carried a report from Peking declaring that the forthcoming victory throughout all China will bring an important change in the balance of power. "Pravda" quoted a Chinese Communist leader as reiterating the Soviet contention "that the democratic front, led by the Soviet Union, was becoming stronger every day." The speaker also repeated the view of the imminent economic collapse which the United States is seeking to avert by preparing another war.

1924: Turkey's Right

CONSTANTINOPLE — The new medical school at Constantinople Woman's College was closed by the Turks on the ground that higher education is the exclusive right of the Government. The college is the

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OPINION/LETTERS

A 'Big' Campaign Idea: Spreading U.S. Wealth

By David S. Broder

WASHINGTON — The buzz in Democratic Party circles last week concerned the "big ideas" issue.

Former Senator Bill Bradley of New Jersey, challenging Vice President Al Gore for the presidential nomination in 2000, proclaimed himself the "big ideas" candidate — without saying exactly what those ideas might be. Mr. Gore's camp immediately pointed out that omission, saying that their man had big ideas too — and would unveil them when he was good and ready.

This rather mindless debate echoed the fuss some Republicans tried to stir earlier this year about the propriety of Governor George Bush of Texas placing the adjective "compassionate" before the noun "conservative" to describe himself. In both cases, this is the kind of thing people argue about when they're not being serious.

Suppose someone really did want to talk about a "big idea." Well, we know at least a few that Republicans will offer the voters: school vouchers, a flat tax and individual savings accounts to supplement Social Security.

Two recent books suggest an area Democrats might explore for ideas — if they have the courage to do so: measures aimed directly at reducing inequality in wealth and income.

The first book, published last year, is "The New Dollars and Dreams," by Frank Levy, an economics professor at the Massachusetts Institute of Technology. An update of a similarly titled 1977 volume, it says that three economic stories — "outstanding performance in inflation and unemployment, continued slow growth of wages and high levels of inequality" — summarize America's current "20-year experiment with free markets."

In a sophisticated analysis of the factors that have produced these three outcomes, Mr. Levy stresses one central conclusion about the information-age economy, with its premium on skills: "When economic growth is skill-biased, large portions of the population can lose ground even as the economy grows." He adds that "since economic growth expands the nation's economic pie, the winners have the extra income

to compensate the losers and still be better off themselves... but, if winners see no reason to compensate losers in a time of change, popular support for free-market policies will decline."

Mr. Levy's book is more descriptive than prescriptive, but this month, two Yale Law School professors, Bruce Ackerman and Anne Alstott, have offered a very bold proposal for curing inequality in their book, "The Stakeholder Society."

They would attack the problem directly by staking each American reaching adulthood to an \$80,000 nest egg — to be used, as the individual wishes, to buy a home, start a business, pay off college loans or build a retirement savings fund. The cost — they estimate \$255 billion a year — would be financed for the next half-century by a 2 percent tax on the wealth of most other citizens. Eventually, when the first beneficiaries died, their estates would be doctored the \$80,000 each of them had received, and the money would be recycled back to the next generation.

The proposal is wide-open to criticism. A quarter-trillion-dollar handout to young adults would surely be blasted as irresponsible. Administering it would require complex rules and a big bureaucracy. The unintended consequences — for example, its impact on armed-forces recruitment — could be severe.

But the authors cite statistics showing that the top 1 percent of Americans now control almost 40 percent of the private wealth in the country. Finding some way to tap that hoard for the sake of spurring all of the next generation to make the most of their talents and contribute to the nation's well-being is not an unworthy idea.

President Bill Clinton's administration took some steps to reduce economic inequality by expanding the earned income tax credit and raising tax rates for top-bracket earners. But there is clearly room to do more.

A competition among candidates to find the best way to spread economic opportunity might make the 2000 campaign a lot more useful than arguing about "compassionate conservatism" or the size of a candidate's unexpressed ideas.

The Washington Post.



LETTERS TO THE EDITOR

A Call for Indictment

The U.S. government should not delay in presenting to the International Criminal Tribunal for the former Yugoslavia in the Hague the overwhelming evidence that President Slobodan Milosevic of Yugoslavia has committed serious crimes against humanity.

The mounting evidence that the ethnic cleansing, with its allied crimes of murder, rape and torture, was authorized at the highest levels of the Serbian power structure in Belgrade, requires the international community to take this action.

I have had two experiences with situations involving crimes against humanity.

The bloodbath in Burundi started while I was completing my assignment as U.S. Ambassador in 1972. While no clear evidence emerged that the chief of state, Colonel Michel Micombero, organized the violent reaction against the attempt of the Hutu leaders to overthrow the minority government, there was massive evidence that several high officials masterminded the brutal slaughter of over 100,000 Hutus. It was clear genocide.

I urged the U.S. government to take up a project with Belgium, the former colonial power, and the neighboring African countries to indict the several senior govern-

ment officials, but nothing was done. The subsequent ethnic bloodbaths in Burundi and neighboring Rwanda might not have occurred if the leaders of the 1972 killings had been indicted and brought to trial.

As the last U.S. Ambassador accredited to Idi Amin, I and others transmitted more than enough information on the direct role that Mr. Amin played in the atrocities in Uganda in the early and mid-1970's. Despite my recommendation that the U.S. government directly seek an indictment against Mr. Amin for high crimes against humanity, none was forthcoming because only the executive branch can seek an indictment.

Mr. Amin now lives in exile in Saudi Arabia. Society has matured over the past 25 years and there is no reason, given the accumulating evidence, for the United States not to proceed with seeking an indictment against Mr. Milosevic.

We must reaffirm the doctrine of the Nuremberg trials. Heads of state and high government officials who commit crimes against humanity must answer for their crimes.

THOMAS PATRICK MELADY, Rome.

The writer was U.S. ambassador to Burundi and U.S. ambas-

sador to Uganda. He later was U.S. ambassador to the Vatican. He is now a visiting professor of international relations at the Rome Graduate Center.

On NATO's Survival

Since NATO is at war with Serbia — to pretend otherwise is foolish — nothing short of Serbia's unconditional surrender to NATO, with all the consequences that may entail, will now do. Anything less will be perceived, rightly, as a defeat for the goals NATO set out and loudly proclaimed at the beginning of this conflict — goals which the Serbian government, with the staunch support of its people, has resolutely and, so far, successfully opposed.

Because of the nature of democracy, such perception of defeat will quickly lead to the political unraveling, and eventually to the total destruction of NATO as a credible political and military force.

Because of the ineptitude with which it has so far carried out this war, at least on the public-relations front, NATO is now fighting not for the human rights of the Kosovar Albanians, but for its own survival.

LEO PRADO, Madrid.

Earth Day and Pig Farms: Factory Food for Thought

By Robert F. Kennedy Jr.

WASHINGTON — The Earth Pledge Foundation has asked Americans to consider, on Earth Day this Thursday, the exact meaning of "sustainable cuisine."

Arguably, the most sustainable food is the hot dog, since that's where all of the stuff that would otherwise go to waste ends up. It's like the Indians and the buffalo — they used everything. Buffalo hot

MEANWHILE

dogs might be the best bet because, among all ungulates, buffalo use the prairies without destroying them. But most hot dogs are neither dogs nor buffalo but hogs, and, nowadays, that means industrial pork, which is one of the most unsustainable foods on earth.

North Carolina's hogs now outnumber its citizens and produce more waste than all the people in California. Some industrial pork farms produce more sewage than America's largest cities. But while human waste must be treated, hog waste, similarly virulent, is simply dumped into the environment. Stadium-size warehouses shoehorn 100,000 sows into claustrophobic cages that hold them in one position for a lifetime over metal-grate floors.

Below, aluminum culverts collect and channel their waste into 10-acre (four-hectare) open-air pits three stories deep from which miasmal vapors choke surrounding communities and millions of gallons of effluent ooze into North Carolina's rivers.

Such practices have created a nightmare that seems like something out of science fiction — but in this case, the effect is all too real. In North Carolina, the festering waste that escapes from industrial swine pens has given birth to *Pfiesteria piscicida*, a toxic microbe that thrives in North Carolina rivers.

This tiny predator, which can morph into 24 forms depending on its prey species, inflicts pustulating lesions on fish whose flesh it dissolves with excreted toxins. Scientists strongly suspect that *Pfiesteria* causes brain damage and respiratory illness in humans who touch infected fish or water. Two years ago *Pfiesteria* sickened dozens of people, including fishermen and swimmers.

Industrial farming is also for the birds. Some corporate poultry farms crowd a million beakless chickens into cramped dark cages where they soak up antibiotics and lay their guts out for the duration of their miserable lives.

But corporate farming isn't just bad for chickens, hogs and the environment — it is destroying family farms. According to *Sierra* magazine, billionaire chicken barons and billionaire hog tycoons have used their market power to drive a million family farmers out of business, including virtually every independent egg-and-broiler farmer in America. Each corporate farm puts 10 family farmers out of business.

The same process of vertical integration has put the final nail in the coffin of Thomas Jefferson's vision of a democracy rooted in family-owned freeholds. Industrial meat moguls site their stinking farms in the poorest communities and pay slave wages to their minuscule work force for performing one of the most dangerous and unhealthy jobs in America.

Moreover, factory-raised pork is soft and bland. Corporate chicken is spongy. Americans have forgotten they're not supposed to be able to cut chicken with a fork.

Americans can still find networks of family farms and farmers who raise their animals to range free on grass pastures. They feed them natural feeds without steroids, sub-therapeutic antibiotics or other artificial growth promoters and treat their animals with dignity. These farmers bring tasty, premium-quality meat to customers while practicing the highest standards of husbandry and environmental stewardship.

Sustainable meats taste the best. This is a case where doing right means eating well. Like other Americans, I have reconciled myself to the idea that an animal's life has been sacrificed to bring me a meal of pork or chicken. However, industrial meat production — which subjects animals to a life of torture — has escalated the karmic costs beyond reconciliation.

Mr. Kennedy is an attorney for the Natural Resources Defense Council and the Water Keeper Alliance. He contributed this comment to *Newsweek*.

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The Associated Press for refugees.

INTERNATIONAL

HIJACKING: A Kidnapping Wave

Continued from Page 1

jungle. Three more captives were let go Thursday evening. The rest of the hostages, including one American, remained held in a mountain stronghold, where guerrillas are now in a violent standoff with U.S.-trained Colombian special forces.

The audacious hijacking, the highest-profile terrorist act in Colombia in the 1990s, underscores a critical escalation of the impact of the country's guerrilla war on civilians, even as President Andres Pastrana tries desperately to pull together a peace process to end the bloodshed.

Including the kidnapping and murder last month of three Americans by the Revolutionary Armed Forces of Colombia, the largest insurgency group here, the acts of violence against civilians so far this year are being called some of the worst in the brutal civil war, which has cost 35,000 lives over three decades.

But perhaps the most tangible effect of the hijacking Monday was to highlight a terrifying surge in the industry of kidnapping that has most middle- and upper-class Colombians, and virtually all foreigners, watching their backs every time they leave their heavily fortified homes.

The Avianca hijacking and kidnapping has put 1999 in contention to beat the 1988 record high of 1,844 kidnappings — a business that experts say is now second only to protection of narcotics traffickers as a revenue source for Colombia's well-armed guerrillas.

Kidnapping, with ransoms ranging from a few thousand dollars to well over \$1 million, is so widespread in Colombia that the nation is by far the most likely place on Earth to be abducted. An average of five people a day are snatched by guerrillas or common criminals.

The industry is growing in sophistication. Even before the hijacking last week, the industry had become so well-organized that small-time kidnappers have begun to freelance, selling their captives to larger, better-funded groups, often guerrillas, with the ability to extort larger ransoms.

"The hijacking has sent a new wave of paranoia through Colombia," said Juan Francisco Mesa, project director at Pais Libre, a Bogota-based anti-kidnapping group. "It shows that there is absolutely no safe place in this country anymore, not even the sky."

Though almost all kidnappings in Colombia are done purely for financial gain, the Avianca hijacking appears to have had a dual purpose.

Not only will the hostages likely be used to fatten the guerrillas' coffers, but their sensational capture had a political message as well.

The National Liberation Army, about 5,000 strong, has been dealt serious blows by the equally violent paramil-



Mrs. Florez following her release after 30 hours in captivity that included an arduous jungle hike.

itary groups organized by wealthy landowners to protect their property. The hijackers, analysts say, wanted to send a message to Mr. Pastrana's government that they remain a viable military force.

In addition, the government, which will try to jump-start peace talks with the larger guerrilla group this week after meeting its demands to create a demilitarized zone the size of Switzerland south of Bogota, has refused to do the same for the weakened National Liberation Army. The National Liberation Army leaders wanted to get their point across that they should be treated as equals to their big brothers in the Revolutionary Armed Forces of Colombia.

The result, however, is spreading fear in a nation where personal security has become a major daily concern.

In Bogota, the violence-plagued capital of 5 million, a fortress existence has become the reality for hundreds of thousands of residents.

"I never leave my office without looking out the balcony first to see who may be waiting for me downstairs," Mr. Mesa said. "It may sound like an over-reaction, but only to people who don't live in Colombia."

The threat is greater outside the major cities. The guerrillas control almost 50 percent of Colombia, and in the rural intermediate zones, they often set up roadblocks to kidnap unsuspecting victims. If victims are freed, it usually takes an average of six months.

"In the rural areas, it's open season on civilian kidnapping," said David Beddow, director of Control Risk International in Bogota. "The government forces have a problem. They are overwhelmed and don't have an infrastructure or an ability to deal with guerrilla kidnappings."

Willi Stoph Dies, Ex-East German Prime Minister

BERLIN — Willi Stoph, 84, the former prime minister of East Germany, has died, the former Communist Party of Democratic Socialism announced Monday.

Mr. Stoph, who was East German prime minister from 1964 to 1973 and again from 1976 to 1989, resigned on Nov. 7, 1989, two days before the Berlin Wall was broken down.

Earlier he had helped to bring down Erich Honecker, the East German leader, on Oct. 18, 1989.

Mr. Stoph had been prosecuted for the killings of people who tried to flee into West Germany, but the prosecution was dropped because of his poor health.

Mr. Stoph was paid an indemnity for the time he spent in preventive detention in 1991 and 1992.

A former mason, Mr. Stoph fought on the eastern front against Soviet troops in World War II. As interior minister, he helped Soviet forces to put down an uprising in East Berlin in June 1953.

Edith Anderson, 83, Writer, Who Lived in East Germany

Edith Anderson, 83, an American writer who defied postwar ruin and harsh political realities to resettle in divided Berlin with her German Communist husband and lived just long enough to see her Cold War memoir praised as a literary event, died Tuesday in Berlin.

Ms. Anderson, whose last name was

originally Handelsman, returned to Berlin on April 7 after two weeks in New York to promote her new book, "Love in Exile," published in March by Steerforth Press of South Royalton, Vermont.

The product of decades of reminiscences, journalism and correspondence, the book traces Mrs. Anderson's odyssey from a conservative Jewish upbringing in the Bronx, New York, to a stint at the Communist newspaper *Daily Worker*, to encounters with Richard Wright, Simone de Beauvoir, Anna Seghers, Stefan Heym and other literary. She also wrote of her consuming and troubled romance with Max Schroeder, a surrealist poet, editor and antifascist.

She was a sharp and often corrosive chronicler of the death throes of the German Democratic Republic as Communism collapsed and the Berlin Wall fell in 1989: "a kaleidoscope rolling downhill," as she described it.

Skip Spence, 52, Musician In Psychedelic Rock Bands

Alexander (Skip) Spence, 52, a pivotal figure in psychedelic San Francisco rock, died of lung cancer Friday in Santa Cruz, California.

Mr. Spence was a founding member of Jefferson Airplane and Moby Grape. He was primarily a guitarist, but although he had never played the drums, after a week of practice he joined Jefferson Airplane for its debut album. In the 1960s Mr. Spence had been found to

be a paranoid schizophrenic, and after making a solo album in 1969 he was institutionalized for many years.

Ben Stephansky, 85, U.S. Envoy To Bolivia in the 1960s

Ben Stephansky, 85, ambassador to Bolivia during the Kennedy administration, died Saturday in Washington.

Mr. Stephansky, who was born in what is now Ukraine and studied economics at the University of Wisconsin, also served as deputy assistant secretary of state in the Bureau of Inter-American Affairs. He was executive secretary of the United States-Puerto Rico Commission on the Status of Puerto Rico from 1964 to 1966 and deputy U.S. representative to the Organization of American States with the personal rank of ambassador in 1967 and 1968.

Mary Lutyens, 90, Writer Of Biographies and Novels

Mary Lutyens, 90, a well-born English biographer and novelist who was applauded by critics on both sides of the Atlantic, died on April 9 in London.

She won praise for the accuracy and readability of her biographies, which included "Millais and the Ruskins" (1968), and also wrote several authoritative books about the Indian spiritual philosopher Krishnamurti. Her fiction includes "Cleo" (1974), which Martin Levin in *The Times* Book Review called

a "flawless tour de force," and novels written under the pseudonym Esther Wyndham.

Tom Patten, 73, Engineer Who Helped Drill North Sea Gas

Tom Patten, 73, a British marine scientist and offshore engineer who played a key role in unlocking the gas and oil deposits beneath the North Sea, died of cancer April 10 in Edinburgh.

In the early 1960s, Mr. Patten was among the first to recognize the huge potential suggested by gas traces in the sea, and he resolutely followed up on his conclusion, traveling to Houston and wherever else he found oilmen who knew how to pump the black gold from the earth's crust.

Grace Zia Chu, 99, Author Of Books on Chinese Cooking

Grace Zia Chu, 99, who introduced a generation of Americans to Chinese cuisine through her cooking classes in Manhattan and her landmark book "The Pleasures of Chinese Cooking," died Thursday in Columbus, Ohio.

Mrs. Chu, who was born in Shanghai, married an army officer and an official in the Nationalist government. When he was posted as a military attaché to the Chinese Embassy in Washington in 1941, Mrs. Chu took on the entertaining duties that transformed her into an ambassador for Chinese food.

BERLIN: Schroeder Inaugurates a New Republic as Parliament Meets in the Reichstag

Continued from Page 1

making a stand with its democratic allies against the "ethnic cleansing" practices of President Slobodan Milosevic of Yugoslavia as a critical moral test for a country that "had two dictatorships in this century" and that "brought genocide and aggression over our continent."

Mr. Schroeder, 55, has served notice that a central theme of his government will be the quest to make Germans feel like normal Europeans, with less of an obsession to atone for sins of the past.

More than two-thirds of Germany's 80 million inhabitants were born after the war, and Mr. Schroeder's claim to remain conscious of Germany's legacy while shedding inhibitions about history have struck a popular chord with many younger Germans.

Almost 10 years after the fall of the Wall, the restoration of Berlin as the capital of a reunited Germany will be culminated over the next five months.

At least 20,000 government workers will be transferred here during the summer as the functions of the 669-seat Parliament, the presidency and most ministries are finally dislodged from Bonn, which fought a valiant but ultimately losing battle to retain its postwar role as the seat of government.

The shift in Germany's center of gravity has provoked anxiety among some of its neighbors, especially France.

With the locus of German power moving east, Paris fears that its role may be diminished if France is shoved

toward the periphery as Germany turns its political and economic focus toward the eastern part of the Continent.

While extolling the new Berlin Republic as "the hinge of European unity" and saying it will provide a better geographic balance as new democracies take root in Central and Eastern Europe, Mr. Schroeder lavished praise on Bonn's successful achievement in ensuring Germany's rehabilitation after the war and the establishment of friendly relations with all nine of its neighbors.

Mr. Schroeder extolled the work of the British architect Norman Foster, who supervised the \$330 million renovation of the building. He declared that the massive glass dome would serve as "a symbol of openness and the transparency of our democratic politics."

Mr. Foster said he had struggled constantly throughout the four-year renovation project to find ways to reconcile Germany's totalitarian history with its modern democratic tradition.

The original exterior remains intact, with the famous inscription "Dem Deutschen Volke" ("to the German people") still emblazoned above the majestic colonnade that serves as the main entrance.

The architect said he wanted to illuminate the Reichstag and encourage visitors to fill the galleries above the main chamber in order to serve as a permanent reminder to parliamentarians that the people were their masters.

Mr. Foster preserved scars from the past, such as

some damage to walls from the wartime bombing raids by the Allies and the 1933 fire that Hitler exploited to crack down on his political opponents and install the totalitarian policies of the Third Reich.

Several walls also are covered with graffiti left behind by Soviet soldiers who captured the building in 1945.

But the architect also has tried to temper any lingering gloom with a light, airy motif and contemporary paintings by artists from Germany, Russia, France, Britain and the United States.

Mr. Foster kicked off the ceremony by presenting a massive key to the speaker of Parliament, Wolfgang Thierse, one of the few prominent German politicians who grew up under the Communist regime in the East.

As he opened the first debate for German deputies in their new home, Mr. Thierse told his fellow parliamentarians that the transfer from Bonn to Berlin should help bring them closer to the problems of people in the East, who are saddled with unemployment rates as high as 25 percent as they strive to make the transition from a Communist society.

Mr. Thierse said the goal of Parliament should be to bridge the gaps between Germans on both sides of the former divide while preserving the spirit of democracy that was vital to ensuring a peaceful and prosperous Germany.

"We don't want another kind of politics but as tranquil a move as possible from Bonn to Berlin," he said.

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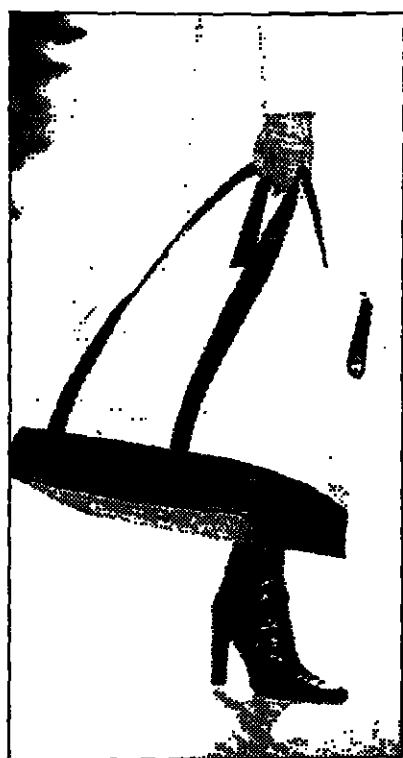
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Celine's canvas and crocodile carry-all and high-heeled boots.



Ungaro's hippie de luxe bag in flower-embroidered shearing. Saint Laurent's crepe de chine shoe with sculpted heel, left, and Bally's leather ankle boot.

Head To Foot: Essence Is Detail



Curved hunting bag in bull-calfskin from Hermes.



By Suzy Menkes
International Herald Tribune

PARIS — Like a puppet play, legs and shoes were framed on stage — here striding brogues, there a tongue lapping the vamp and a few light-stepping kitten heels.

The lively shoe show at Hermes was a part of an unofficial accessories week, as Paris houses all displayed designs for the new season. The latest in bags, belts, scarves, gloves, sunglasses and footwear proved that, against simple modern clothes, the extras are not so much optional as essential.

The new looks include the flat purse, the pouchy hunting bag and embroidered decoration with a hippie feel. Shoes are changing at sole and heel: the front often curving up like a Nike sneaker, asymmetry the story for askew, square heels that look vertiginous yet sturdy.

The focus on accessories is a natural development of the 1990s when the houses that have set the fashion pace, from Gucci through Prada and Louis Vuitton, were all founded on shoes and bags, rather than clothing. Significantly, even if fashion shows capture media attention, stores tend to promote the core product, as in the shop windows at Vuitton, which are filled with the latest purses in the Epi range.

At Celine, where flat bags in scarlet cashmere and lumberjack plaid echoed the St. Moritz-inspired collection by Michael Kors, the percentage of clothes to accessories in company sales is 50-50.

Both are made with a sporty feel but close attention to detail, so that a walking boot is given a scarlet lace or a purse will have a zipper curving around its handle. Interesting mixes of textures, like canvas with mock crocodile, granulated leather and the tactile cashmere and coney, were a feature of the line. In fact for accessories, like Celine's cute muff purses and fluffy fur mules, are a current trend.

"Accessories are something I'm spending more and more time on — it's what gives clothes a personality," said Kors, who came to Paris from New York last week to work on the

cruise collection. The American designer has been named Women's Designer of the Year by the Council of Fashion Designers of America and will pick up the award in New York on June 2.

For Hermes, the story is always about quality and nobility of materials. The arrival of Martin Margiela as creative director seems to have pushed accessories toward strong, modern, feminist design, rather than concentrating only on the luxurious patterned scarves and classic bags.

The shoes, in mainly sporty styles, have a distinguishing gold-orange interior, reflecting the signature Hermes packaging. The men's range gets a red sole. The bags include shoulder pouches, styles on a transformable theme, where the handles and fastenings can fit different purse shapes, and a new ray-of-light striped canvas material.

Other elegant but practical pieces were French berets as nylon rain hats with leather trim, shearing gauntlets or wool and leather gloves, and a millennium print for the Hermes scarf showing satellites orbiting the Milky Way.

Bally has expanded from shoes and accessories to create a clothing collection for the first time. The designer Paolo Gabrielli describes the pieces as simple and sporty, all based on horizontal lines. They are intended as items to be put together by the customers, rather than as outfits.

"That was the inspiration for the whole collection — a constant play on dressing up and down," said Gabrielli, showing shoes with brogue perforations, asymmetric heels, and cut-away toes filled in with patent leather. The designer also experimented with unexpected or unusual materials, from tweed shoes through a high-tech wool boot and the ubiquitous fur slippers.

The Bally bags included hunting sacks, a moire jacquard evening purse and rounded leather purses with curving handles. The collection was also built on contrasting textures like shiny lambskin and mat rubber.

The fresh design spirit brought by Alber Elbaz to Yves Saint Laurent extended to the African and sharks' teeth jewelry; the daisy-wheel 1970s patterned silk scarves with fringes, and the felt bags in Matisse blue. Shoes with flat silver buckles had a new rakish geometry to the heels.

The wittiest pieces were taken on the famous YSL safari jacket as a suede bag with twin pouches or knee-high boots with similar pockets. Chic flat pumps picked up the signature rose-pink and orange Saint Laurent colors.

The Bohemian Rhapsody echoing through fashion is making accessories dance to a new tune. Ungaro's hippie de luxe collection threw up fun pieces like boots, pumps and shearing bags with Hungarian Gypsy embroidery in bright colors, as well as dashing shawls and earrings dangling with multi-colored feathers.

The accessories week was overshadowed by the death of Nicola Trussardi, a handsome, charismatic man who built an Italian leather house, founded by his glove-maker grandfather in 1911, into a \$480 million business.

In fact, Trussardi was one of the first accessory companies to grasp the power of a brand name, launching successful jeans, fragrance and sportswear products.

The company is still best known for fine leather goods with a greyhound logo. They are elegantly showcased in the Marino alla Scala — a restored palazzo, significantly positioned adjacent to Milan's opera house and containing an art gallery, to express Trussardi's broad culture.

Painted Ladies of Ingres

Does the Decorative Surface Reveal the Sitter's Soul?

By Suzy Menkes
International Herald Tribune

LONDON — Wine-red velvet tracing in its folds the shape of the thighs; swansdown undulating across pubescent breasts — are these clothes mere costumes placing a portrait of a lady in her time and place? Or can painted fashion suggest something deeper: character, personality or even the sitter's soul?

The intense, decorative surfaces of the paintings of Jean-Auguste-Dominique Ingres have been held up to scrutiny ever since the 19th-century artist first sketched neoclassical beauties. Critics have suggested that the French portraitist was too engrossed in the minutiae of clothes that celebrated bourgeois pomp.

But now a fashion historian has looked at the inscrutable Madame de Senones and the placid Madame Moitessier in a new light: as women expressing themselves through their clothes.

"Ingres in Fashion: Representations of Dress and Appearance in Ingres's Images of Women" (Yale University Press) is the ripe fruit of 15 years' reflection by Aileen Ribeiro, head of dress at London's Courtauld Institute of Art. By chance, the book's publication coincides with an exhibition of "Portraits by Ingres" at London's National Gallery, until April 25.

As painstakingly as Ingres accumulated rich colors and tactile effects, Ribeiro builds up a portrait of an artist who was fascinated with the surface of things — because of what they revealed.

Here is a fashion book with luminous visuals and a lucid text. The details of a painting — a fleshy arm banded with pearl bracelets or a vividly embroidered cashmere shawl — is often the first introduction to a famous and familiar canvas. This not only makes the portraits seem fresh and intriguing, but unveils fashion history and the shifting notions of female allure.

By weaving in commentary from the painter's literary contemporaries like Balzac, Baudelaire and Theophile Gautier, a picture emerges of a complex culture of adornment in which the clothes were symbols of a woman's fixed position in society — but also her link to the wider world.

Taine's "Notes on Paris" (1867) described the essence of French fashion in the era of budding haute couture, the flowering of the Parisian department store and the coining of the word "chic."

"A perfect toilette is equal to a poem," it claimed. "There is a taste, a



Luxurious finery in an Ingres portrait of Madame Moitessier, 1856.

choice in the placing and the shade of each satin ribbon, in the pink silks, in the soft silvered satin."

Ribeiro's aim is to show that Ingres captures those succulent pink ribbons, powder-blue lace, a rose in the hair or tassels dangling at the breast in a unique way — compared with decorative effects from such artists as Matisse, Sargent, Tissot or Winterhalter.

"Ingres was sensitive to the nuances of dress, but he was also able to pick his way through and make dress live as an art form," Ribeiro says. "He works as an analyst of dress. Tissot is often called a chocolate-box artist."

By contrast, Ingres uses clothing to "round out character," says Ribeiro, explaining how moving a dress slightly off one shoulder might suggest that "beneath the glacial surface may be something smoldering."

Luxurious finery becomes trophy or

consolation for these women with tranquil faces and intense gazes. They convey the suffocating drama that Flaubert's Madame Bovary saw in a society where "lace frills, diamond brooches, medallion bracelets trembled on their bodies, gleamed on their breasts, jingled on their bare arms."

Ribeiro discusses Ingres's drawings, in which mere pencil strokes can evoke shimmering satin drapes. Fashion plates and photographs of period garments recreate an era that went from the neoclassical head of kiss curls to the bourgeois materialism of a floral silk gown.

Nothing that Ingres painted was as sensual as his odalisques displaying their luscious naked bodies in a Turkish harem. Maybe that is the artist's secret: that he always suggested the shape and gesture of the bodies beneath the folds, thus, as Gautier said, "depicting the inner flame that is called life."

BOOKS

MESSIAH

By Andrei Codrescu. 366 pages. \$25.
Simon & Schuster.

Reviewed by Elizabeth Hand

ANDREI CODRESCU'S new novel, "Messiah," shares many of the strengths of his on-air persona for National Public Radio.

It's at once intelligent and flippant, unabashedly ambitious even as it revels in the baser elements of late-century pop culture, especially as glimpsed through the overheated air of Codrescu's New Orleans — on-line porn, moose-headed New Age cults, Christian televangelists and the universal spiritual appeal of Vanna White. If the end result is more an indigestible jumble than jambalaya — well, there are still some nice spicy bits to be savored along the way.

Codrescu's entry into the Millennium Sweepstakes begins with Felicity LeJeune, a fetching young orphan-cum-private eye who has been cheated out of a lottery fortune by an evil televangelist (the only kind of evangelist one encounters in books), the Reverend Jeremy "Elvis" Mullin.

The overly cute heading for Chapter 5 pretty much tells you all you need to know about Mullin, and also about Codrescu's heavy-handed approach to satire — "Wherein Felicity LeJeune sees Grandmere to her final resting

place, observes Reverend Mullin in flagrant delicto, has an encounter with real America at Home Depot, stumbles on an extraordinary Web page and gets to practice her profession by facing a very dangerous situation."

It will come as no shock to readers that Mullin is a pedophile; there may be some taste issues here, since his predilections are played for laughs. He is also busy kidnapping and brainwashing numerous young ladies, forcing them to sing in his choir even as he mounts his own nasty version of the Rapture for the year 2000.

But, of course, the millennium is a busy time for those planning the Apocalypse. Unbeknownst to Mullin, there are several other potential Armageddons in the offing. These involve Andrea, an orphan from Sarajevo whose fate seems to be linked with Felicity's; Major Notz, Felicity's mysterious uncle, who has important connections and a penchant for wearing the military attire of ages past; various foreign-language versions of the TV show "Wheel of Fortune," whose female hosts are vanishing at an alarming rate, and the earthly incarnations of those great minds — Nikola Tesla, Albert Einstein, Nostradamus and the like — who abruptly find themselves occupying human bodies on the streets of New Orleans in time for Christmas 1999.

Also some angels, a cheerfully sympathetic devil, a naked, levitating Hindu mystic and a universal language crystal.

It all ends up being not so much "Apocalypse Now" as "Apocalypse Huh," a peculiar amalgam of satire and mushy soft-core mind-melding. Codrescu's writing is clever and certainly inventive, and there are numerous funny set-pieces, such as this bit of dialogue:

"The pope," Mother Superior said curtly, "is a politician. Christ our Lord is not. When he returns he will throw away much of the pope's wardrobe."

"Where do you suppose he will return?" asked Father Hermio.

"Where? To Jerusalem, of course."

"Oh, I don't think so," said Father Hermio gravely.

"And where do you think that Christ will go when he returns to this vale of tears?" Mother Superior spoke sharply.

"CNN headquarters in Atlanta," replied the father.

"Messiah" has too many loose ends, too many cute characters introduced and then abandoned, too many plot strands by far to weave a cohesive and satisfying tale. Ambitious and witty as it often is, it never quite achieves enough narrative velocity to take off. There's enough smart stuff here to entertain a dozen end-of-the-world fables. Next time, perhaps Codrescu will focus on giving us just one.

Elizabeth Hand, whose sixth novel, "Black Light," has just been published, wrote this for The Washington Post.

CHESS

By Robert Byrne

VLADIMIR KRAMNIK was impressive in downing the three-time Russian champion Peter Svidler in the ninth round with exciting anti-Gruenfeld play. And Kramnik ended the event by tying with Viswanathan Anand for second place behind only Kasparov.

The Exchange Variation of the Gruenfeld Defense with 4.c4 Nd5 5.e4 Nc3 6.b3 is a clear-cut demonstration of the conflict between White's occupation of the center with pawns and Black's attempts to undermine this structure. The idea in 8.Rb1 is to get the queen rook away from Black's pressure on the di-

agonal h8/a1. One offshoot is that 8...Nc6 permits a powerful attack after 9.d5! Bc3 10.Bd2 Bd2 11.Qd3.

The gambit with 11.Bd2!? converts the beginning conflict into one between a pawn and speedy development. White defies Steinitz's dictum that this should not succeed when Black has no structural weaknesses.

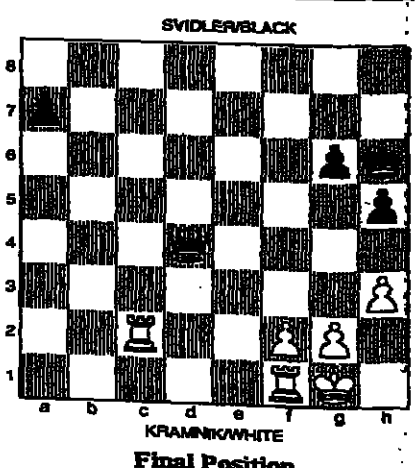
After 12.O-O, no one trusts passive defense with 12...Qe6 13.Qe2 Qc6 14.Qd3 Qd6 15.Bb4 Qd8 16.d5 because Black is confined.

After 12...Bg4, it would have been unproductive for White to play 13.Rb7 Bf3 14.Bf3 Bd4 15.Re7 Nc6.

Through 15.Bg5, Kramnik had been following his game with Ivanchuk in the Monaco Quickplay Tournament, 1998, but Svidler diverged from 15...Qa3 16.Bd2 Bc3 17.Bc1 Qd6 18.e3 Qd7 19.Bd2 Bf3 20.Bf3 Bd2 21.Qd2 Nc4 22.Qc2 b5 23.e6, which produced an unclear position, to play 15...Bf3 16.Bf3 Rf8.

But Kramnik ingeniously attacked with 17.e5! The convoluted tactical point was that 17...Be5 would have been met by 18.d6! ed (18...Bd6 19.Ra1 Qc4 20.Ra5 Bb2 21.Kh1 Bc7 22.Ra1 Qb5 23.Be3 yields Black four pawns for a piece, but in the middle game, the bishop is strongly favored) 19.Bd5 Qa3 20.Bd2 Nc6 21.Rb7 Rec8 22.Rf7 Kh8 23.Og4 Qd3 24.Rb7! Kh7 25.Qb4 Kg7 26.Bh6 Kh7 27.Bf8mate. In this same line, 20...Qc5 21.Qf3 Re7 22.Rf1 costs Black his knight.

Thus, Svidler chose to defend by



Final Position

17...Nc4 18.d6! Nc5, but after 19.Bd5 Qa3 20.Be7 Bf8 21.Bb7 Be7 22.Ba8 Bd6, he had only a knight and a pawn for Kramnik's rook.

The black pieces were placed to put up a fight. That's why Kramnik brought about a liquidation of material with the practical 28.Bf7! Rf7 29.Qd7 Rd7 30.Rd7 Kh6 31.Rc7.

After 33.Rc2, Svidler saw the handwriting on the wall and surrendered. If 33...Qa4, then 34.Rcc1 Qd4 35.Ra1 and nothing will stop a doubling of the white rooks on the a line followed by the capture of the black a pawn. Then Kramnik would turn his attention to the g6 pawn and annihilate the black defense.

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The Man Who Pulls Compaq Out of the Fire

With Earnings Flagging, a Sometimes Brash Founder Steps In to Reassert Control

HOUSTON — When things go wrong at Compaq, Benjamin Rosen is the fixer.

The former stock analyst whose \$20,000 loan helped start Compaq Computer Corp. in 1982 has swooped in at crucial times to save the world's biggest personal-computer maker. Now he has seized control again, ousting his handpicked chief executive, Eckhard Pfeiffer, over the weekend.

Mr. Rosen, the 65-year-old chairman of Compaq, acted just nine days after the company disclosed that it would disappoint investors with first-quarter earnings far short of estimates. Some analysts said they were surprised at how fast Mr. Pfeiffer, a leader in the personal computer industry, lost his job after that disclosure.

Yet Mr. Rosen's track record shows that such brash moves are to be expected.

"When Compaq goes into a death spiral, Rosen steps in to pull them out of it," said Ashok Kumar, an analyst at US Bancorp Piper Jaffray. "The board went for the jugular."

Mr. Rosen and two directors will run Compaq, which is based in Houston, until they find a replacement. "We have re-energized this company before, and working together, we will do it again," Mr. Rosen said in a statement announcing the shake-up.

It was Mr. Rosen who engineered the 1991 boardroom coup that replaced Compaq's co-founder, Rod Canion, with Mr. Pfeiffer.

Mr. Rosen summoned Mr. Pfeiffer, then head of Compaq's European operations, and presented him to directors as a prospective chief executive after Mr. Canion tried, and failed, to convince them that he could deal with an onslaught of cheap PCs and turn the company around.

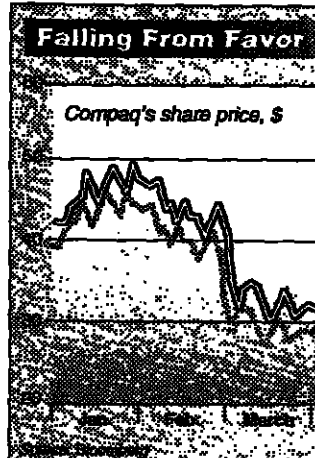
This time, it was the German-born Mr. Pfeiffer, 57, who lost his job.

Mr. Rosen said Sunday that Compaq's problems were not fundamental strategic errors, but mainly that "we're not executing as well as we should have."

Asked about specific areas for improvement, he replied, "The Internet opportunity for Compaq is incredible."

He noted that Compaq, especially after its \$8.7 billion purchase of Digital Equipment Corp. last year, had everything from its own Internet search engine, Alta Vista, to large server computers to handle Internet services and electronic commerce.

"We have it all, but some of our competitors have done a better job of positioning themselves and exploiting that



With Compaq shares and profits falling, Benjamin Rosen took quick action.

See COMPAQ, Page 10

Technology Drags Down Wall Street

Computer Sell-Off Sends Nasdaq Plunging 5%

NEW YORK — Computer-related and Internet shares dragged the Nasdaq composite index down more than 5 percent Monday, to its worst day since October, as investors shifted funds from the technology sector to cyclical sectors such as oil, aluminum, steel and chemicals stocks.

"The bubble has just burst" in Internet and computer shares, said Edgar Peters, chief investment officer at Panagora Asset Management Inc. "It would take phenomenal growth in those companies to justify their current prices."

The technology sector's slump spilled over into the blue-chip index. The Dow Jones industrial average had been on track for a sixth straight record close as blue-chip stocks got a lift from strong earnings reports and merger news.

But by late in the day, the Dow had surrendered a 272-point gain and swung into negative territory.

"What you're seeing is a violent transition out of some of the Internet, technology and drug names" and into some financial and cyclical companies, said Philip Schettevi of Loomis, Sayles & Co. in Washington.

The Nasdaq composite slumped 138.19 points to 2,345.85, dragged down by Internet stocks, which fell after Morgan Stanley Dean Witter & Co. analyst Mary Meeker warned of a "big correction" in the group. America Online, Amazon.com and Yahoo! all declined.

The Dow closed 53.36 points lower at 10,440.53. The Dow had closed at record highs each day last week, with Friday's close at 10,493.89.

The Standard & Poor's 500 index dropped 29.48 points to 1,289.52.

U.S. bonds rose as the fall in stocks bolstered the appeal of less risky Treasury issues. The 30-year bond was up 25/32 at 96 1/32, taking the yield to 5.52 percent, down from 5.57 percent.

General Electric fell 6 1/2 to 104 1/2 as investors sold one of the best-performing industrial stocks to buy laggards.

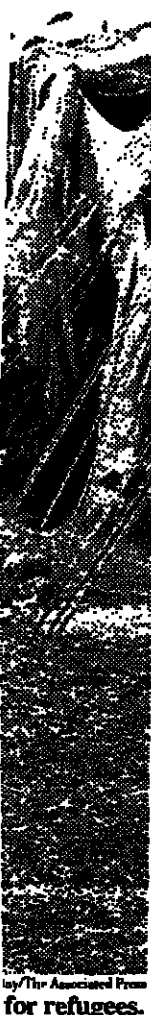
Analysts said the industrial stocks

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Page 7. Page 5. Pages 6-7. Pages 18-19. www.trib.com

Net Profit: Firms Log On

Why Real E-Commerce Is Business-to-Business

By Bob Tedeschi
New York Times Service

NEW YORK — Each month, Patricia Ruszkay, a purchasing agent for BOC Gases, a British-owned distributor of industrial gases with U.S. headquarters in Murray Hill, New Jersey, pulls a chair up to a computer. Logs on to the Internet and looks for a bargain.

In this case, the bargain involves not only the price of the product, but an entire cost-saving process set in motion when the on-screen "order" button is clicked.

Nearly 7,000 miles (11,000 kilometers) away, in a Japanese gas processing plant, a BOC supplier receives the million-dollar order for tungsten hexafluoride, a highly toxic gas used in semiconductor manufacturing, among other purposes. Within minutes, 2,500 miles from Murray Hill, a BOC distribution center in San Diego receives electronic notice from Japan that the shipment is on the way.

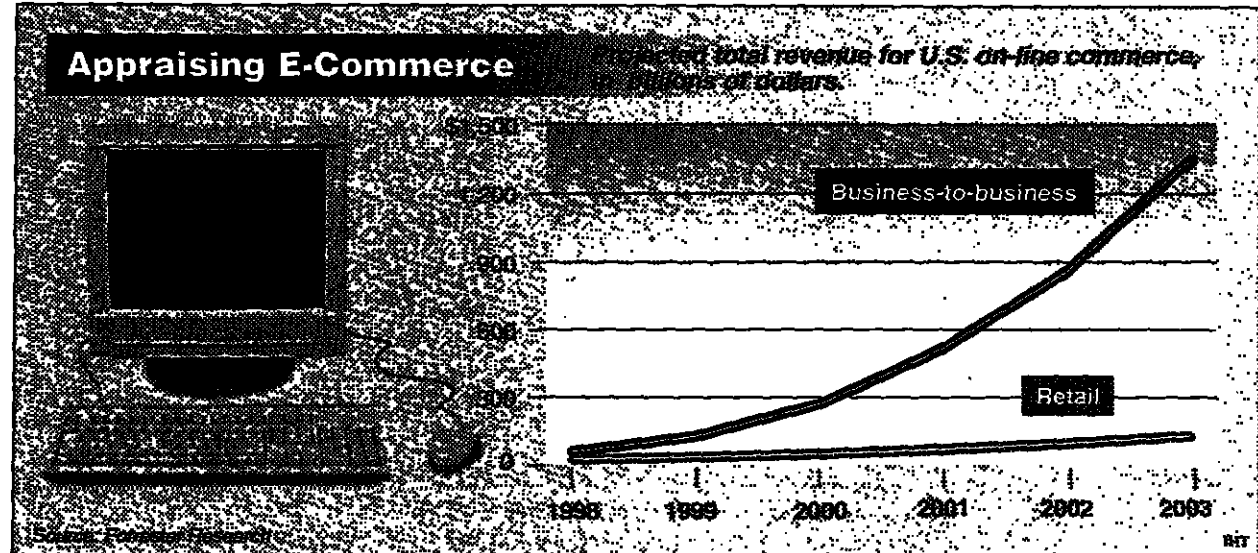
No multilingual phone calls or faxes required. No written purchase orders,

invoices or shipping notices to lose. Because the entire process takes place on the World Wide Web, there are no extra charges for handling the order over a special long-distance data network — which until a few years ago would have been the only way to conduct business electronically.

BOC makes about \$20 million worth of purchases from the Japanese supplier a year, and BOC officials say the Internet will save the company several hundred thousand dollars annually.

There may be more headlines about retailers selling books and compact disks on-line, or consumers Web-surfing the contents of their attics to one another. But in terms of dollars and impact, the real electronic-commerce action these days is the business-to-business transactions quietly taking place among companies like BOC and its suppliers and customers.

In 1998, American companies had \$43 billion worth of sales to one another over the Internet, five times the consumer retail total, according to Forrester Research,



a market research firm in Cambridge, Massachusetts. Within four years, Forrester says business-to-business sales on-line will reach \$1.3 trillion, or 9.4 percent of corporate America's purchases.

Another research firm, the Aberdeen Group, is even more exuberant in its calculations of business-to-business e-commerce, estimating that the market may now be 10 or more times larger than

the on-line consumer arena. Word early this year of strong on-line Christmas sales "put visions of sugar plum fairies into people's heads," said David Alschuler, a vice president at Aberdeen, which is based in Boston. "But the fact is, business on the Internet is cutting significant costs out of the supply chain, with better procurement and resource planning," Mr. Alschuler said. In the

long run, "that will have a far bigger impact than what you buy from Amazon.com," he added.

While computer companies like Cisco Systems Inc. and Dell Computer Corp. have been the notable leaders in business-to-business e-commerce organizations, other lines of business have also

See COMMERCE, Page 10

See MARKET, Page 10

Thinking Ahead / Commentary

A Premature Obituary for Capitalism

By Reginald Dale
International Herald Tribune

WASHINGTON — Now that the smoke is clearing, the damage inflicted by the Asian financial crisis looks like it was caused by an economic neutron bomb. The crisis has hurt great numbers of people — mainly in East Asia — but has left the main structures of the world economy standing.

The worst of the direct impact may be over. Many of the hardest-hit countries are on the road to recovery, financial "contagion" has been contained and world economic growth seems set to pick up soon.

The most important development, however, is a non-event: The collapse of global capitalism has not occurred. Instead, the post-crisis world is likely to be even more market-oriented than the one that preceded it, with a proliferation of new rules and practices that will help markets to operate more smoothly.

Not so long ago, dire, or in some quarters gleeful, predictions were heard that the market economy would never be the same again. Signs of its impending doom were seen in the capital controls imposed by Malaysia, stock market intervention by previously ultra-laissez-faire Hong Kong, the alleged failure of free-market policies in Russia and looming financial disaster in Brazil.

There was always much wrong with that analysis. Free-market policies have not failed in Russia — they have never been tried. Brazil has not collapsed, and Hong Kong and Malaysia are hardly enough to create a world trend. But it is still striking how little free-market policies and practices have been disrupted by the crisis.

The countries recovering best, such as Thailand and South Korea, are doing so by moving further in a free-market direction. None of the affected nations, except Malaysia, has tried to isolate itself from the global economy, and the widely feared worldwide wave of protectionism has not yet materialized.

Nor has there been the great rethinking of economic globalization that some feared and others advocated. The critics of global capitalism pounced on the crisis as proof of globalization's fatal flaws. Their analyses often concluded that "there must be something better."

But nobody has actually come up with "something better." On the contrary, in looking for the way ahead, most

economists have taken free-market principles as the starting point for new ideas, not called them into question.

There has been much criticism of the so-called Washington consensus — the traditional free-market orthodoxy that uniformly prescribes fiscal discipline, deregulation, privatization and trade and financial liberalization. Partly as a result of the crisis, a new consensus is rapidly emerging. But the new consensus simply adds extra prescriptions — such as better financial supervision, labor market flexibility and more transparency in business and government — to the old list. It is an elaboration of the original consensus, not a new departure.

Some economists still have problems with the new consensus. Dani Rodrik of Harvard University argues, for instance, that openness to trade and investment is not enough to ensure economic development, and that strong social and political institutions are more important.

But such views do not depart as far from the conventional wisdom as they once did. Economists at the Organization for Economic Cooperation and Development in Paris, a bastion of international free-market thinking, would agree with much of what people like Mr. Rodrik say. OECD economists have certainly never said that openness by itself would guarantee economic development.

But they do insist that openness to the outside world has become a key element in any developing country success story, especially now that technological know-how, usually acquired from other countries, is ever more essential for business profits.

Numerous studies also show that engagement in the global economy leads to higher growth and helps to reduce poverty in developing countries, the OECD economists say. Today's economic arguments are not over fundamental free-market policies, but what must be done to supplement them.

Likewise, the efforts to devise a new "international financial architecture" in the wake of the crisis, due to continue during the spring meetings of the World Bank and the International Monetary Fund in Washington this month, will not involve rebuilding the system from scratch.

The aim is to make incremental improvements in financial rules and practices that will oil the wheels of the market system, not to trade it in for a nonexistent new model.

E-mail address: Thinkahead@iht.com

CURRENCY RATES

April 19									
Cross Rates					Other Dollar Values				
	\$	£	SF	Yen	CS	Dane	Greek	Swede	
London (a)	1.612	—	2.632	190.31	2.397	11.289	492.90	13.503	
New York (b)	—	1.61176	1.500	117.57	1.2653	6.9854	205.45	6.3282	
Tokyo	118.05	190.40	78.84	—	79.89	16.99	N.D.	14.19	
Zurich	1.683	2.3917	0.9849	1.2564	—	0.2124	0.4856	0.1779	
	1.5075	2.4241	—	1.278	1.0172	21.5194	0.4919	0.1803	
One euro	1.0636	0.6586	1.6015	125.67	1.5799	7.433	324.30	8.883	
One SDR	1.3567	0.8428	2.0358	161.31	2.0153	9.4424	411.49	11.2645	
April 19									
Euro-EMU rates are permanently fixed									
	Aus	Bel	Fin	Fr	Gr	Ir	It	Nld	Port
Australia	12.9443	20.000	5.6078	6.5601	1.9427	0.7612	1.4243	2.0932	188.89
Belgium	20.3606	61.2701	1.6507	1.9453	2.0706	1.1962	2.0408	2.3471	384.30
Finland	5.9457	1.3463	—	1.3463	—	—	—	—	—
France	6.5601	1.6507	—	—	—	—	—	—	—
Germany	1.9427	0.7612	—	—	—	—	—	—	—
Greece	1.5799	7.433	—	—	—	—	—	—	—
Ireland	0.7612	1.4243	—	—	—	—	—	—	—
Italy	2.0932	1.8889	—	—	—	—	—	—	—
Netherlands	2.3471	384.30	—	—	—	—	—	—	—
Portugal	11.2645	411.49	—	—	—	—	—	—	—
Spain	166.386	—	—	—	—	—	—	—	—

Private Banking International

HOW TO BUILD

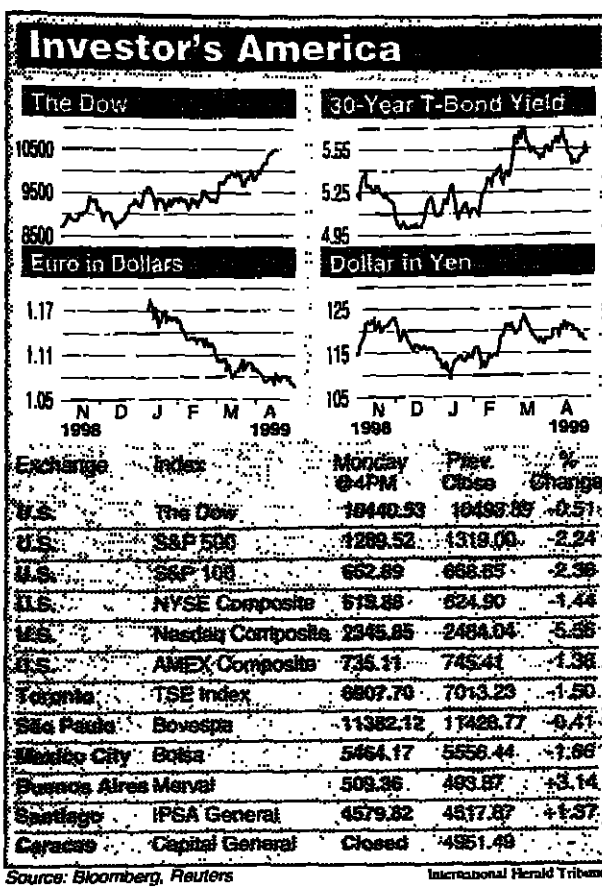
When you build your factory, you brought together the best professionals to assure the success of your project. Together, you established a meaningful dialogue. They had to understand your desires and needs in order to propose, at each stage of construction, the appropriate solutions. Today, you are proud of the results. When it comes to Private Banking, the philosophy of Cr dit Lyonnais is no different. Before we can help you fully benefit from our skilled specialists and wide experience, we must first listen to you to better understand your plans for generations to come.

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U.S. Pagers Join Forces To Survive

By Seth Schiesel
New York Times Service

NEW YORK—Threatened by the specter of irrelevance in an era of near-ubiquitous cellular phones and e-mail, most of the largest U.S. paging companies have formed an alliance to deploy inexpensive handheld computers that use a new two-way wireless technology developed by Motorola Inc.

With the explosion in use of wireless telephones, the paging business has come under intense pressure in recent years. About 73 million people in the United States now use wireless phones, compared with about 56 million who use pagers.

The increasing use of wireless phones has forced paging companies to slash prices.

As communications equipment makers begin incorporating electronic mail and in some cases rudimentary World Wide Web browsers into wireless phones, paging companies face an even greater threat.

The new alliance may be the paging industry's best-coordinated and most comprehensive response. The group is in discussions with Microsoft Corp. and 3Com Corp. about incorporating the new Motorola technology into handheld computers that use Microsoft's Windows CE and 3Com's Palm operating systems. The companies were scheduled to announce the alliance Monday at the Comdex technology conference in Las Vegas.

The paging alliance is based on a simple concept: Wireless phones that include Web services generally do not allow people to talk and surf the Web at the same time. When the user is talking, the screen is generally processed against the person's cheek, making it impossible to, say, negotiate a meeting time while actually looking at one's schedule.

The paging companies want to sell small units that are separate from a phone but that could include a small keyboard, e-mail access, a date book and address book and that would have a battery life measured in weeks instead of days or hours.

The alliance intends to offer service everywhere in the United States and to incorporate the new Motorola technology, known as Reflex, not only in the Windows CE and Palm operating systems but also in devices that use Sun Microsystems Inc.'s Java programming language.

EURO: Currency Plunges to New Low Against the Dollar

Continued from Page 1

cline was mostly attributable to the buoyant economic growth in the United States, where a sustained boom has contrasted with lagging growth that has continued in the European Union.

The European Commission, the EU's executive body, recently lowered its forecast of the region's growth this year from 2.6 percent to 2.2 percent, and Mr. Duisenberg said even this was "somewhat on the optimistic side."

Although he said the central bank did not fundamentally disagree with the commission's conclusions, he said growth in the euro zone of 11 nations would be "somewhere around 2 percent."

Mr. Duisenberg said even a slight improvement in the world economic outlook had not had a significant effect on European prospects for growth.

The uncertainty and anxiety over the Kosovo conflict had certainly

had a depressing impact on the euro, he said.

Traders and economic commentators were concerned that the conflict over Kosovo would put pressure on European public deficits, make it more difficult for governments to reverse a slowdown in the European economy and deter in-

FOREIGN EXCHANGE

vestors from buying euro-denominated assets.

The European Central Bank last month reduced its benchmark refinancing interest rate to 2.5 percent from 3 percent, making money cheaper to borrow than at any time since World War II. But Mr. Duisenberg said it could take one or two years for this to translate into economic growth.

Mr. Duisenberg said he expected inflation in the euro zone to fall to an average of 1.1 percent from the 1.5 percent forecast a few months ago, but he added, "We do not fear de-

flation." In New York, meanwhile, the dollar slipped to 117.57 yen from 117.80 yen Friday.

Eisuke Sakakibara, Japan's deputy finance minister for international affairs, said Tokyo would "take decisive action against the yen's premature and excessive rise." He also said the United States shared Japan's view that the yen's rise had to be stemmed.

The yen also could benefit from any signs that the worst of Japan's economic malaise may be nearing an end.

Bank of Japan regional managers said at a quarterly meeting Monday that the economy, bolstered by government construction spending, was no longer worsening, though recovery may still be far off.

"The decline of the economy has stopped for now," said Masaru Hayami, Bank of Japan governor.

In other trading, the dollar was at 1.5030 Swiss francs, up from 1.4962 francs. The pound was at \$1.6117, down from \$1.6140.

MARKET: Technology Shares Drag Down Main Indexes

Continued from Page 9

were cheap relative to the previously high-flying technology sectors but said they cannot play the role of long-term leaders because they represent a much smaller portion of the market than technology shares do.

America Online, Yahoo! and other Internet-related companies tumbled amid concern that many of these high-flying stocks were overvalued and as some investors switched money to companies closely tied to the performance of the economy.

America Online, the No. 1 on-line service, fell 2.2% to 116.74, while the top Internet search service Yahoo! dropped 2.5% to 163.11. The leading Internet retailer, Amazon.com, plunged 3.1% to 158.15.

Strong earnings from Citigroup and BankAmerica and telecommunications deals helped lift stocks earlier.

Citigroup, BankAmerica and the Bank of New York all reported strong first-quarter profits Monday

U.S. STOCKS

as U.S. consumers ran up their credit-card bills and businesses borrowed to expand their reach.

The banking industry's impressive results reflect an economy with strong consumer confidence, a turbocharged stock market, low unemployment and benign inflation.

"This morning's reports are nothing short of fantastic," said Michael Ansell, an analyst with Edward Jones. "The market rebound

we've seen over the last quarter or two has given a huge boost to the banks' underwriting and trading revenues, and that's resulted in most companies beating earnings estimates, and it's certainly lit fire to their stock prices."

But the boost from strong earnings was short-lived.

Citigroup ended down 1% at 70% after it posted net income of \$2.36 billion, up 9 percent from the first quarter of last year.

BankAmerica fell 1% to 71% after it reported net income of \$1.91 billion, a 44 percent increase over the first quarter of last year.

Bank of New York posted first-quarter earnings of \$516 million, matching Wall Street's estimate and up 12 percent from the year-earlier first quarter. (Bloomberg, AP)

ASIA: Stock Prices Jump

Continued from Page 1

moved past the 13,000-point level before retreating to close at 12,766.44. The Hang Seng, which has risen 17 percent just this month, has regained all the ground it lost since the crash of October 1997.

Some investors said they were alarmed by the markets' performance because it could lead government officials and business executives into thinking the hard times were over.

With money pouring into Asia, some analysts say, economic reform efforts could bog down in Indonesia, Thailand and elsewhere.

This was a "blue-moon opportunity to sort out Asia," said Bill Kaye, senior managing director of the Pacific Group, an asset-management firm here. "But here we are, back to the races."

"The big problem with falling interest rates and surging liquidity is that it lessens the incentives to pursue deep reforms."

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U. S. STOCK MARKET DIARY

Monday, April 19
Most Active

Index	High	Low	Close	Change
Dow Jones	9500.00	9400.00	9450.00	+100.00
S&P 500	1050.00	1040.00	1045.00	+5.00
Nasdaq	2500.00	2450.00	2480.00	+30.00
AMEX	750.00	740.00	745.00	+5.00

Index	High	Low	Close	Change
Industrial	1200.00	1180.00	1190.00	+10.00
Transportation	100.00	98.00	99.00	+1.00
Utilities	150.00	148.00	149.00	+1.00
SP 500	1050.00	1040.00	1045.00	+5.00

Index	High	Low	Close	Change
Commodities	100.00	98.00	99.00	+1.00
Energy	10.00	9.80	9.90	+0.10
Metals	1.00	0.98	0.99	+0.01
Grains	1.00	0.98	0.99	+0.01

Index	High	Low	Close	Change
Nasdaq	2500.00	2450.00	2480.00	+30.00
AMEX	750.00	740.00	745.00	+5.00
Dow Jones Bond	100.00	98.00	99.00	+1.00
20 Bonds	100.00	98.00	99.00	+1.00
10 Utilities	100.00	98.00	99.00	+1.00
10 Industrials	100.00	98.00	99.00	+1.00

Index	High	Low	Close	Change
NYSE	100.00	98.00	99.00	+1.00
AMEX	750.00	740.00	745.00	+5.00
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10 Utilities	100.00	98.00	99.00	+1.00
10 Industrials	100.00	98.00	99.00	+1.00

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EUROPE

2 French Banks Reject Takeover Bids by BNP

Compiled by Our Staff From Dispatches

PARIS — Paribas SA and Societe Generale SA officially rejected Banque Nationale de Paris SA's hostile bids Monday, citing agreements that they said prevented such shareholders as AXA SA and Pernod Ricard SA from selling to BNP.

BNP made a \$36 billion share swap offer for both Paribas and Societe Generale on March 9 after Societe Generale reached an agreement to acquire Paribas in a \$19 billion share swap.

AXA, which owns 7.16 percent of Paribas and 7.3 percent of BNP,

favours the BNP bid. It says its pact with Paribas does not apply in the present case and has not been registered with market authorities.

AXA's chairman and chief executive, Claude Bebear, backed Societe Generale's acquisition of Paribas and gained a seat on Societe

Generale's board. Then he switched, backing the BNP bid after it was made. AXA's role has been seen as crucial in the bidding.

Mr. Bebear called the BNP bid a "strong strategic opportunity." According to papers filed with French regulators, Mr. Bebear said he was convinced that a three-way alliance with BNP was "perfectly attainable" and criticized Societe Generale and Paribas for lacking an independent analysis of BNP's bid.

In the regulatory filing, Mr. Bebear said Paribas and Societe Generale "indicated in February that an alliance with another retail bank could be interesting."

A source said that Societe Generale and Paribas had "expressly" mentioned BNP's name in connection with such an alliance and indicated to AXA that they hoped BNP would be in a position to make such a move.

Shares of BNP slid Monday as the investors apparently became exasperated by the obstacles being placed in the way of the bids for Societe Generale and Paribas.

BNP's shares closed at 73.20 euros (\$78.09), down 2.

Paribas said in its rejection that it had had an agreement with AXA for nearly 10 years that required both parties to approve any change of their shareholdings in each other. Paribas owns 22.7 percent of Finaxa, the main holding company of AXA.

Societe Generale said it entered into a similar pact March 1, 1996, with Peugeot SA, which owns 1.66 percent of Societe Generale.

On June 27, 1997, it entered into a pact with Pernod Ricard SA, which owns 1.36 percent of Societe Generale, it said.

Societe Generale owns 11.4 percent of Pernod Ricard and 3.7 percent of Peugeot.

(Bloomberg, AFP, Reuters, AFP)

Volvo Profit Is Lifted by Truck Sales

Bloomberg News

GOTHENBURG, Sweden — Volvo AB, the world's second-largest maker of heavy trucks, said Monday that its first-quarter operating profit rose 15 percent from a year earlier, as strong demand for trucks more than offset a loss in the bus business.

Operating profit rose to 1.215 billion Swedish kronor (\$146.4 million), from 1.061 billion kronor in the first quarter of 1998, excluding earnings from the car unit, which was sold to Ford Motor Co. in the first quarter.

Net profit, including the one-time gain from the sale of the car business, rose 17-fold, to 27.557 billion kronor, or 62.40 kronor a share, from 1.581 billion kronor, or 3.60 a share.

"During the first three months of the year, sales were higher in all divisions, except in construction equipment, where sales were unchanged," said Leif Johansson, the chief executive of Volvo.

Anders Bruzelius, an analyst at Handelsbanken Markets, said of the earnings: "A little worse than expected in construction equipment and buses, though trucks and aero were better than expected."

Volvo is focusing on developing its truck, bus, construction equipment and marine engines operation after completing the sale of the car unit to Ford for \$6.5 billion. Some analysts speculate that Volvo, now flush with cash, may buy the U.S. truckmaker Navistar International Co., or its Swedish rival Scania AB, in which it already owns a 14 percent voting stake.

EBRD Aims to Rebuild Reserves After Loss

Reuters

LONDON — The European Bank for Reconstruction and Development will concentrate on finding better borrowers and rebuilding reserves after posting a loss for 1998, Hervé Koehler, its president, told its eighth annual meeting Monday.

"Following this financial setback, rebuilding adequate reserves is a key priority, and thus early achievement of sustainable profitability is vital," Mr. Koehler said in a statement setting out the bank's priorities for the next three to five years.

"We cannot compromise sound banking principles," he said. "That means that we have to be even more selective than in the past, quality, as well as volume of projects, is important."

The bank is the largest single investor in the Balkans and Russia, and its 12 billion euro (\$12.8 billion) portfolio has been important in the region's economic transition. But the bank was stung by Russia's financial crisis, which plunged it into its biggest-ever loss in 1998 after provisions of 291.8 million euros.

Both Mr. Koehler and Prime Minister Tony Blair of Britain stressed that those countries that had embraced reform most strongly — the Czech Republic, Estonia, Hungary, Poland and Slovenia — had been most able to withstand contagion from the Russian crisis.

As a result, the bank will be paying closer attention to financial viability, openness of economies and issues such as banking regulations in

providing funds. "That means that we have to be more selective than in the past," Mr. Koehler said.

Admitting that while the EBRD had been aware of the growing crisis in Russia since 1997, Mr. Koehler said the bank should have used its operations "to help overcome the institutional problems" that were a major factor in Russia's collapse.

He said the bank would work more closely with the World Bank and International Monetary Fund, especially in demanding reforms in Russia in exchange for funds. "Constructive partnership involves listening carefully and speaking out where necessary in risks and problems — for example, corruption and poor corporate governance," Mr. Koehler said.

Shares of the company, created in 1987 from the merger of a French and an Italian chipmaker, were up 1.20 euros at 103.30 (\$110.20) at the close in Paris.

The company, whose shares have more than tripled since hitting a 12-month low of 30.95 euros on Oct. 8, said it was planning a 2-for-1 stock split.

Corp. in the latest quarter, and to fuel growth.

Shares of the company, created in 1987 from the merger of a French and an Italian chipmaker, were up 1.20 euros at 103.30 (\$110.20) at the close in Paris.

(Bloomberg, AFP, Reuters, AFP)

STMicroelectronics Posts 16.5% Profit Gain

Bloomberg News

PARIS — STMicroelectronics NV, Europe's second-largest maker of semiconductors, said Monday its first-quarter profit rose 16.5 percent as demand grew for the computer chips used in mobile phones and cars.

The company said it earned \$105.1 million in the quarter, or 72 cents a share, up from \$90.2 million, or 65 cents a share, a year earlier.

That beat an average forecast of 69 cents a share made by analysts polled by First Call Corp.

STMicroelectronics, second in its field in Europe to Philips Electronics NV, has focused on higher-margin chips used in digital consumer-electronics products, a market valued at an estimated \$2.5 billion.

The strategy is helping it to weather slower sales of computers, which hurt revenue of rival Intel

WORLD STOCK MARKETS

Monday, April 19

Prices in local currencies

For more on EMU countries, see page 12

High Low Close Prev.

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High Low Close Prev.

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High Low Close Prev.

Manila

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PSE index 2205.06

PSE index 2205.06

PSE index 2205.06

PSE index 2205.06

The 1,000 most traded National Market securities
in terms of dollar value, updated twice a year.
The Associated Press

Monday's 4 P.M. Close
The 150 most traded stocks of the day
up to the closing on Wall Street.
The Associated Press

The 2,300 most traded stocks of the day.
 Nationwide prices not reflecting late trades elsewhere.
 The Associated Press

[illegible]

Continued on Page 13

هكذا مات النبي

BREITLING
1884

BREITLING
INSTRUMENT
PROFESSION

NYSE

Monday's 4 P.M. Close
(Continued)

[illegible][illegible][illegible]

Stock	Div Yld Per 100 Hrs	Low/Last/Chg
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1005	1005	1005
1006	1006	1006
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Singapore Set to Liberalize Bank Laws

Singapore Set to ...

Measures Are Expected to Increase Competition and Lead to Mergers

By Michael Richardson
International Herald Tribune

SINGAPORE — Singapore banks, long protected in their small domestic market, are being warned by the government that they must prepare for greater foreign competition.

At a recent reception for international bankers in London, Deputy Prime Minister Lee Hsien Loong of Singapore said that a package of measures on bank liberalization would be ready next month.

Once put in place, the measures are expected to ratchet up competition in Singapore's retail banking sector over the next five years. During this period, some of the five local banks are likely to merge to form bigger banks with the financial weight and skills needed to operate effectively against international competition.

"We are proceeding step by step, not to create a big bang, but to make careful incremental changes that cumulatively will develop our financial center," said Mr. Lee, who is also chairman of the Monetary Authority of Singapore, the de facto central bank.

The Singapore government sees banking reform as a key part of its ongoing program to open up the island's financial sector and make it more efficient so that it does not get left behind as other cities, such as Hong Kong and Sydney, also liberalize in their quest to become leading capital market centers for the Asia-Pacific region.

and provide a conducive environment where a more sophisticated and entrepreneurial culture can flourish," Mr. Lee told the bankers in London. "We cannot afford to stand still while the rest of the world moves ahead. Otherwise, other financial centers will take over our role and we will become the Asia-Pacific region."

Over the last 18 months, Singapore has changed its policies to give fund management firms greater access to domestic funds, develop the debt market, merge the two stock exchanges, improve corporate governance — including full disclosures of problem loans by banks — and introduce lighter, risk-focused supervision and inspection of financial institutions.

A year ago, the monetary authority set up a Financial Sector Promotion Department to attract new players and products to the capital markets and do what the government's Economic Development Board has done very successfully for many years for manufacturing and other services — provide a one-stop service, administer tax incentives, and help industry grow in Singapore.

But banking reform is a sensitive issue at a time when local banks' earnings have plunged in the past two years, and bad loans have risen sharply, partly as a result of the banks' exposure to countries such as Indonesia, Malaysia and Thailand that were hit hard by the financial crisis and subsequent

Over the past 12 months, nonperforming loans declared by the five Singapore banks more than tripled to 18.4 billion Singapore dollars (\$10.81 billion), forcing them to set aside funds to cover potential losses.

Although foreign banks are restricted in the domestic financial market, they have still carved out a substantial role for themselves. They account for more than a third of residents' foreign currency deposits and 45 percent of loans to resident borrowers.

They also account for about 70 percent of total trade financing in Singapore, and at least 50 percent of total new banking profits.

Some local bankers have warned the government that a rapid liberalization could gravely weaken the local banking establishment.

"Our aim is to have an open banking sector with strong local banks, not an industry from which local banks have been marginalised," he said. "We will like to see a strong banking sector with strong local banks, not an industry from which local banks have been marginalised."

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Still, Mr. Lee told Parliament last month that the monetary authority was reviewing all restrictions in the domestic banking sector, including limits on opening additional branches, and on the use of automatic teller machines, part-

setting up off-premise automated teller machines, participating in ATM networks, and offering electronic funds transfer for sales at department stores, supermarkets and shops.

Most of the 219 foreign commercial and merchant banks in Singapore are content to confine their activities to the offshore foreign currency market, which is far larger than the domestic market.

But Mr. Lee said that the monetary authority was reviewing rules governing foreign banks with offshore licenses to see how "reputable offshore banks can have greater access to the domestic market."

Two medium-sized banks — the government-controlled Bank of China and the Bank of Communications — merged last year, while

Keppel Bank and Tai Lee Bank — merged last year, with government-owned Development Bank of Singapore, largest bank in the country, announced plans to acquire Post Office Savings Bank.

The other three local banks are Oversea Chinese Bank Corp., Overseas Union Bank and United Overseas Bank.

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Daewoo to Start Asset Sale by Offering Shipyard

SEOUL — Daewoo Group said Monday that it would try to sell its shipbuilding unit for more than \$4 billion, starting a multimillion-dollar disposal of assets to help South Korea's second-biggest business group fend off creditors.

The sale of the Daewoo Heavy Industries shipyard, one of the world's largest, is part of a plan to raise more than \$8 billion over the next year by selling assets as the company reorganizes its vast holdings around its auto manufacturing operations.

The group said it would seek to sell the shipbuilding unit to a Japanese company, perhaps Mitsui Group or Kawasaki Heavy Industries, though no deal was announced.

The chairman of Daewoo, Kim Woo Chong, said the company would also sell its 25 percent stake in Kyobo Life Insurance, seeking to raise more than \$800 million. Daewoo also said Monday that it would sell an auto parts business to Delphi Automotive Systems Corp. for \$118 million. And the group's stake in two Hilton hotels are to be sold.

"I'll devote the rest of my life to making Daewoo one of the world's major auto companies," Mr. Kim said. "Even profitable businesses will be sold to help strengthen the auto business."

Daewoo is under pressure to sell assets to reduce its debt, which swelled 40 percent last year to \$9.87 trillion won (\$49.19 billion) despite government appeals for the com-

pany's five largest groups to bolster their finances. The government warned again last week that companies resisting reforms would be cut off from fresh loans.

In response, Daewoo, which also owns the country's biggest brokerage firm and several electronics companies, said over the weekend that it would put 21 trillion won worth of assets and businesses up for sale this year.

Shares of many Daewoo affiliates rose by their daily maximum of 15 percent Monday. Daewoo Heavy Industries led the rally.

Daewoo's decision to sell its auto suspension business to Delphi, the world's largest maker of auto parts, was its first sale of a unit to a foreign investor.

The restructuring plan came a week after the U.S. ratings agency Standard & Poor's Corp. warned Daewoo to take tough action to clean up its troubled balance sheets.

The group has denied reports that it was in financial trouble. But it has been dogged by rumors that it was surviving on liquidity obtained through issuing bonds.

The top five conglomerates — Hyundai, Daewoo, Samsung, LG and SK groups — last year agreed on sweeping corporate reforms, including swaps and mergers of troubled units. But progress has been slow, with negotiations bogged down in haggling over selling prices and other terms.

(Bloomberg, AFP)

Hong Kong Hits High In Jobless

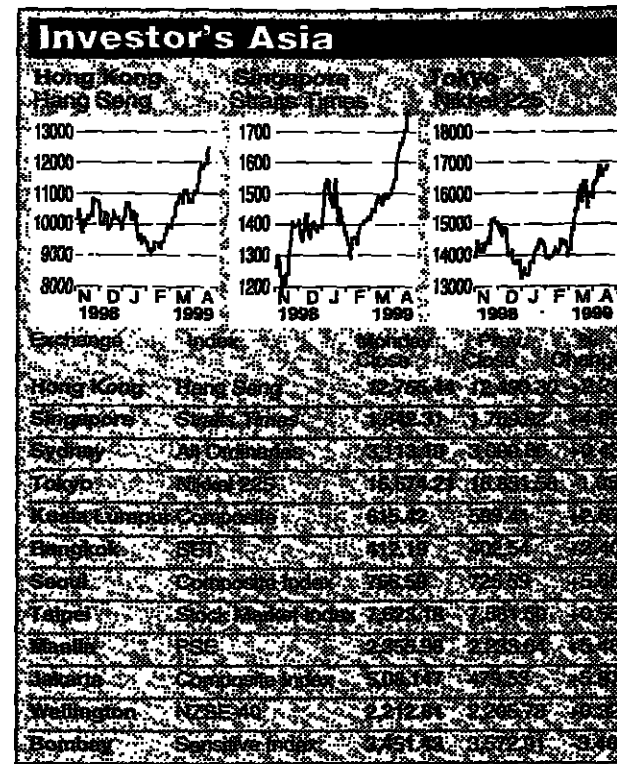
Bloomberg News
HONG KONG — The unemployment rate rose to a record 6.2 percent in the three months through March, the government announced Monday, as a strong stock and property market failed to translate into jobs in the rest of the economy.

The jobless rate was the highest in a quarter-century, and the number of jobless, at 214,000, the highest ever. The unemployment rate was 6 percent in the three months through February.

The continuing rise in unemployment, which some economists expect to reach 9 percent, could dash investor optimism about the city's recession coming to an end soon. The stock market's benchmark Hang Seng Index rose to a 19-month high Monday, and property prices have risen about 15 percent since October.

"For my company and others, there simply isn't the business out there to justify the stock and property market gains," said Nicholas Brooke, chairman of Brooke International Ltd., a real-estate consulting firm. "I don't know what justifies this optimism."

Consumer demand, which makes up about two-thirds of the economy, also remains weak. Retail sales fell 21.1 percent in January from a year earlier.



Very briefly:

- AAPT Ltd., an Australian telecommunications concern, rejected a takeover bid by its rival Cable & Wireless Optus Ltd., calling the offer of 1.5 billion Australian dollars (\$952 million) "naïve and absurd." AAPT said it was negotiating with other potential suitors.
- DaimlerChrysler AG set up an aerospace company in Japan to sell satellites and aircraft. The business, DaimlerChrysler Aerospace Japan Co., will be engaged in exports, imports and the sales of satellites, aircraft and aviation equipment.
- Guangdong Kelon Electrical Holdings Co., a Chinese refrigerator maker, is borrowing 800 million yuan (\$96.6 million) from a domestic bank, using a type of loan that allows the borrower to draw from the credit when it needs the cash and to repay it when it can, an unusual arrangement in China.
- Japan Air Lines Co. earnings estimates for the year that ended in March were lowered by three analysts, who cited recession in Asia and intensified competition. AFP, Bloomberg

Seoul Fires Chief Of Power Giant

Bloomberg News
SEOUL — The Energy Ministry said Monday it had fired Chang Young Sik, president of Korea Electric Power Corp., for expressing opinions in public that clashed with the ministry's policy.

Park Tae Young, minister of commerce, industry and energy, said Mr. Chang had been dismissed for expressing personal opinions in public without clearing them with the relevant authorities, according to Lee Hyung, a ministry spokesman.

Mr. Chang had announced that the state-run power monopoly would build plants in North Korea, which created confusion about South Korean policy.

4.4% Economic Growth Is Seen for Asia

Bloomberg News
MANILA — With the exception of Hong Kong, hard-hit Asian economies should avoid a second year of recession as borrowing costs fall, governments spend more and business confidence improves, the Asian Development Bank said Monday.

Economic growth for 20 of the region's biggest economies will rise to an average of 4.4 percent this year, up from the 1998 average of 2.6 percent, when many countries suffered their deepest drops in output since World War II, the bank said in its annual outlook on the region. The fastest expansion will be in China, the world's most populous country, through its growth is expected to slow to 7 percent in 1999 from 7.8 percent in 1998, the bank said.

The forecasts show that the Asian Development Bank has grown more

optimistic since November, when it projected that countries such as Indonesia and Malaysia would see their economies shrink for a second consecutive year.

The bank, which helped finance aid packages for Indonesia, Thailand and South Korea, predicted that growth for the 20 countries would accelerate to 5.1 percent in 2000. However, the bank said, a resump-

tion of world-leading growth rates is not assured because credit standards have been raised, restraining bank lending.

"When, or even whether, East and Southeast Asia can ever return to the high average annual growth rates of the 1980s and early 1990s is not clear," said the Manila-based bank, which is owned by governments in the region.

Tan Pledges Funds for Philippine Airlines

The Associated Press
MANILA — The majority shareholder of Philippine Airlines Inc., Lucio Tan, pledged Monday to assemble a group of investors to provide \$200 million to keep the carrier in business.

The infusion is an important component of a rehabilitation plan sub-

mitted to regulators. Mr. Tan made the pledge during a special meeting of the airline's board to respond to the Securities and Exchange Commission, which questioned the source of new capital in effectively rejecting the plan Thursday.

Mr. Tan offered to place \$100 million in escrow immediately.

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WORLD ROUNDUP

**Chebet Victorious
In Boston Marathon**

Joseph Chebet of Kenya won the 103d Boston Marathon on an unseasonably warm day Monday. He drew ahead of Silvio Guerra of Ecuador, who led for much of the race and was bidding to become the first South American winner in 28 years. Chebet won in an unofficial time of 2 hours, 9 minutes, 52 seconds. Guerra was second.

Fatuma Roba of Ethiopia became the second woman to win the race in three successive years. She took the lead just past the midpoint and was unofficially timed in 2:23:25. Franziska Rochat-Moser of Switzerland was second with a time of 2:25:51. (AP)

Benfica Coach Is Fired

SOCCER Graeme Souness has been fired as coach of the Portuguese soccer club Benfica, the club announced Monday. The former Real Madrid coach Jupp Heynckes of Germany is to take over next season. (AP)

Robbie Fowler, the Liverpool and England striker, suffered what appeared to be a broken nose in a fight at a Liverpool hotel. The incident occurred early Sunday. Merseyside police said a 41-year-old man had been charged with assaulting Fowler and another man. Fowler is serving a six-month ban for two incidents involving provocative behavior on the field. (AP)

Matthias Sammer, the German and Borussia Dortmund defender who has been out with an injury for 18 months, has resumed training. Sammer, 31, said he trained for 10 minutes with a fitness trainer last week. He has not played since undergoing the latest of a series of operations on his left knee in October 1997. (Reuters)

The mayor of Kerkrade, the Netherlands, has called off a match between Feyenoord and Roda JC Kerkrade because of fears that Feyenoord fans would cause trouble if the team clinched its first league title since 1993 with a victory. (AP)

Games Sponsor Drops Out

OLYMPICS Johnson & Johnson, the consumer-products company, has backed out of an estimated \$50 million deal to sponsor the 2002 Winter Olympics in Salt Lake City. John McKeegan, a company spokesman, said the decision was the result of internal disagreements about how to link the company's many brands under a sponsorship umbrella in time for the games. He also acknowledged that the bribery scandal was a factor. (AP)

Kings Seek New Coach

ICE HOCKEY Larry Robinson will be replaced as coach of the Los Angeles Kings after his team failed to make the playoffs three of the last four years, a source close to Robinson said Monday. The Kings were to hold a news conference later in the day. Robinson was in the final year of a four-year contract. (AP)

Day Wins First Title

GOLF Glen Day rolled in a 35-foot putt on the first playoff hole to win the MCI Classic on Hilton Head Island, North Carolina, on Sunday. It was his first PGA Tour victory. Payne Stewart, trying for his third victory at the Harbour Town course, missed an 18-footer and finished second. (AP)

**Gretzky Says Farewell
And Polishes Record**

The Greatest Makes Point in His Last Game

By Joe Lapointe
New York Times Service

NEW YORK — After most hockey games, Wayne Gretzky is a quick-change artist, out of uniform and out of the locker room before anyone else on the team.

Sunday was different, for so many reasons, and Gretzky still wore his Ranger jersey and pants more than an hour after the conclusion of the final game of his brilliant career.

His blue jersey was dark and wet with sweat and spilled water and maybe a tear or two. When asked why he had not changed it, Gretzky first said a few proper things about getting to the news conference on time without making reporters wait in a back hall at Madison Square Garden. Then he leveled.

"Probably, subconsciously, I don't want to take it off," Gretzky said. "I'm not going to pull it on ever again. It's hard. It's hard to take it off right now. I have to be honest with you. I don't want to take it off."

When asked about the times he cried between smiles during the day's festivities, Gretzky said: "Tears of joy. Tears of joy. No question."

Following the game, a 2-1 Pittsburgh victory, Gretzky skated a few slow laps around the ice before a cheering capacity crowd that included many of the greatest players of his era, including Mark Messier and Mario Lemieux.

The trip was like the tours teams take when they are awarded the Stanley Cup, but teams like the Rangers, which don't qualify for the playoffs, have no trophies to hold aloft. So Gretzky waved with his bare hands, blew kisses to his wife, gave up a thumbs-up here and there and picked up a few hats thrown by fans and put them on his head, one a Yankees cap,

another a red beret. On one lap, his teammates fell in behind him in formation, clapping along with the crowd.

"I wanted it to be a celebration," Gretzky said. "I didn't want everybody crying and all that stuff. The Rangers did a nice job at keeping it short, sweet and classy."

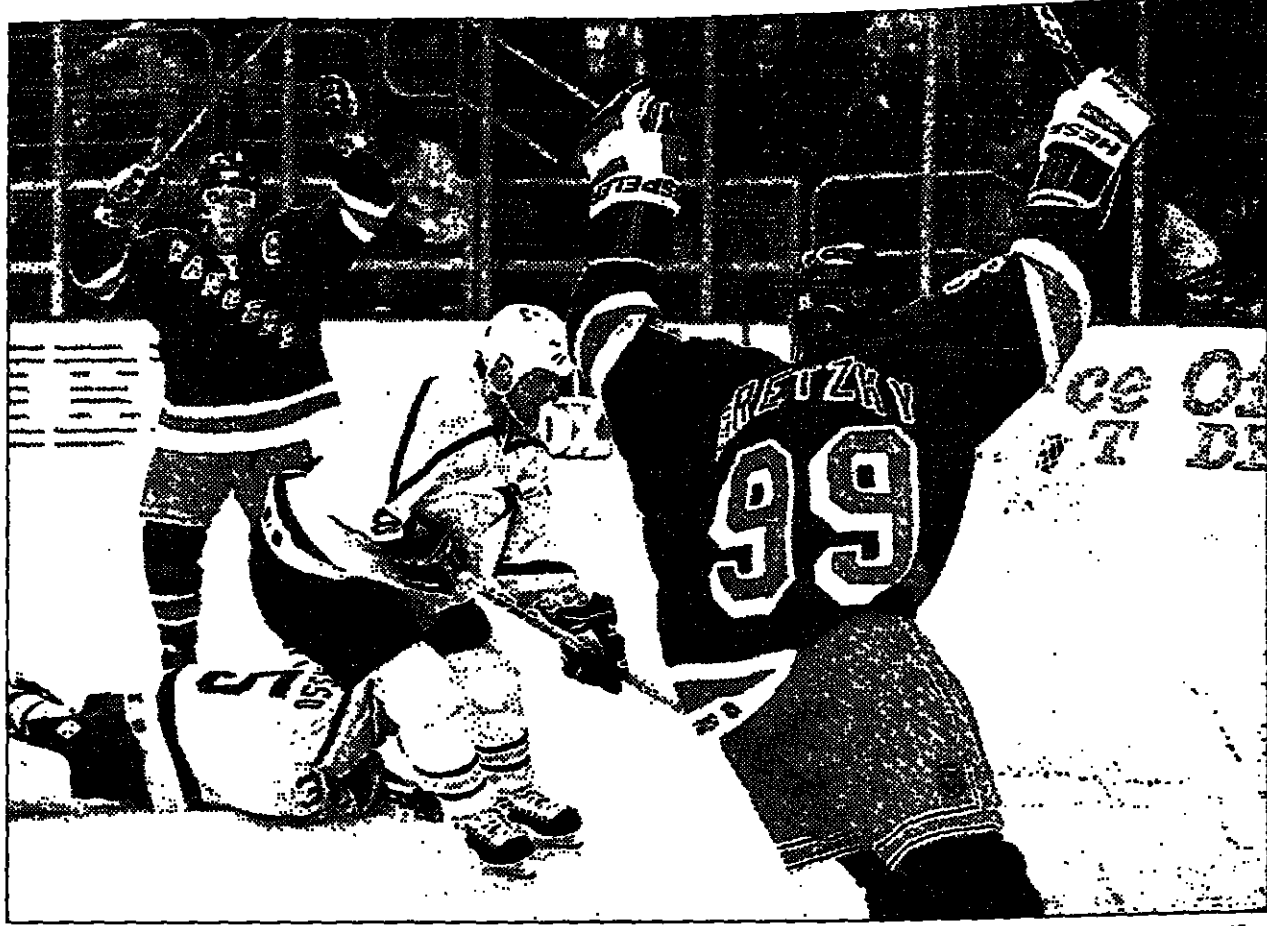
The afternoon also included videotaped messages on the scoreboard screen from Michael Jordan, the retired basketball star, and Gordie Howe, one of the other two hockey players mentioned with Gretzky as the best of all time. The other member of the trinity is Bobby Orr.

Before the opening faceoff, the Rangers gave Gretzky a black Mercedes S500 automobile. During timeouts, the scoreboard screen showed highlights of his great moments on ice as well as some silly ones from television appearances when he was younger and had longer hair. Before periods and after the game, the house lights were dimmed and images of Gretzky doing marvelous things with the Edmonton Oilers, the Los Angeles Kings, the St. Louis Blues, the Rangers and Team Canada were projected on the smooth white ice. It created a ghostly effect, appropriate for a wispy player with silky moves whose exploits are now all in the past tense.

"Not only am I mentally ready to retire, I'm physically ready to retire," Gretzky said. "It's hard. This is a great game, but it's a hard game."

Messier, who played with Gretzky for nine seasons and four Stanley Cups in Edmonton and for one year in New York, said: "Hockey's a tough game and a dangerous game. And you need to be prepared and you need to be mentally and physically ready to play. And if you're not, it can get dangerous."

To play successfully and avoid in-



Wayne Gretzky, 99, celebrating after setting up a goal by Brian Leetch, left, against the Pittsburgh Penguins.

juries, a player must be "completely consumed" by the game, Messier said, and he indicated that Gretzky had told him he had lost that edge.

Gretzky called Messier the greatest player he had played with and Lemieux the best he had played against.

Gretzky scored no goals Sunday but he added one assist to his unmatched totals. Every time he touched the puck, the fans rose to their feet, gasped and cheered. In 20 seasons in the National Hockey League, he had 2,857 points — 894 goals and 1,963 assists — in regular-season play. No other player is even close in any scoring category.

Jaromir Jagr's goal 1 minute 22 seconds into overtime gave Pittsburgh victory Sunday.

"Maybe it was fitting that the best young player in the game scored the goal in overtime," said Gretzky. "Everyone always talks about passing torches and all that stuff. Well, he caught it."

Gretzky spent only the last three seasons of his career in New York, and his effectiveness declined noticeably in that span. But the fans in the Garden on Sunday were there to cheer the entire career.

During the pregame warmup, fans near the Rangers bench, many wearing his jersey, stood and bowed with their

extended arms in an exaggerated sign of worship. He threw pucks to them.

Bryan Adams sang "O, Canada!" even though two U.S.-based teams were playing, and he changed a line in the anthem to "We're going to miss you, Wayne Gretzky." The commissioner of the NHL, Gary Bettman, announced that Gretzky's uniform number, 99, would never be worn again by an NHL player.

Gretzky said he might some day consider owning an NHL team but that he just wanted to get away from the game for awhile and hang around with his family. Still an athlete, he had plans for Monday. "I'm going bowling," he said.



MEETING IN MONTE CARLO — Boris Becker of Germany playing against Cedric Pioline of France on Monday in the first round of the Monte Carlo Open. Becker eliminated the No. 17 seed, 6-4, 5-7, 6-4.

Fed Cup Victory for U.S.

The Associated Press

RALEIGH, North Carolina — Monica Seles extended her singles record to 10-0 in the Federation Cup, the international women's team tennis competition, with convincing victories over Croatia's top two players, Iva Majoli and Silvija Talaja, to help the United States to a 5-0 sweep in the series.

"I always seem to produce the best tennis for Fed Cup, and I am really focused," the world No. 3 said Sunday after routing Majoli, 6-0, 6-3, to give the U.S. team an insurmountable 3-0 lead. The United States initially

was to have played this series in Croatia. But NATO air strikes in neighboring Yugoslavia caused the International Tennis Federation to move the matches to Raleigh.

"The Croatian team was gracious under the circumstances," said Billie Jean King, the U.S. captain.

The Americans will play in Italy in July in the second round, Italy being the defending champion. Spain, in Reggio Calabria, Italy. But the Spanish team was without its top two players, Arantxa Sanchez-Vicario and Conchita Martinez.

Switzerland Abuzz Over Tennis Star and Guru

By Steve Keating
Special to the Herald Tribune

ZURICH — Her name can be heard over the din of conversations at Swiss bars and cafes, and her face stares from the front pages of newspapers. On the radio and on television talk shows, the question is the same: "What's up with Patty Schnyder?"

Schnyder is a 20-year-old Swiss tennis star. Her being dropped from Switzerland's Federation Cup team because she failed to show up for practice has lent new weight to the question behind the controversy surrounding her: What role does Rainer Harnacker, the mysterious 42-year-old German guru who has captured her heart, have in this unsettling soap opera?

Since Harnacker, a practitioner of alternative medicine, became part of her entourage in December, Schnyder has left home, has had only limited contact with her parents and has dumped her boyfriend and fired two coaches, including longtime trainer Eric Van Harpen, who guided her to six titles and a place in the top 10 last season.

Under Harnacker's training regimen, Schnyder is reportedly allowed only five hours of sleep a night, can drink only orange juice before 2 P.M. and can eat only fruit and vegetables.

Close friends and tennis officials say Harnacker has taken control over Schnyder's life and career, transforming the once self-reliant woman into a submissive follower.

"I'm worried for her because a lot of things have changed," said Tons Haltermann, Schnyder's manager. "She has no contact with her parents, she got rid of her boyfriend, fired coaches."

"The way she used to be made Switzerland love her. I think that's why all of Switzerland is so absorbed with the story. She was the typical Swiss girl, the girl next door, the type of girl mothers want for their sons."

But her increasingly strange behavior has soured both the Swiss public and advertisers.

On Wednesday, shortly after the announcement that she had been dropped from the Fed Cup squad, Schnyder was cut loose by two of her major sponsors, Crossair and AMAG, a Swiss car-importing company.

Earlier, Asetra, a Swiss computer company, ended its relationship with the tennis player.

But Schnyder is determined to stand by her man.

"She's sad, but she can't understand, she doesn't think she's doing anything wrong," Haltermann said.

Except for a fax message and a brief phone conversation with Swiss television, no one at the Swiss tennis federation has heard from Schnyder since her loss to Anna Kournikova in the quarterfinals at Amelia Island, Florida, on April 9.

Last week, despite having guaranteed Rene Stambach, president of the Swiss Fed Cup committee,

that she would play, she failed to turn up at the team's training site and was dropped from the team.

Harnacker responded to the news by explaining that Schnyder had never planned to train with the squad and wanted to arrive in Zurich only on Saturday, just in time for her singles match, to avoid a media frenzy in Switzerland.

During a conversation with Harnacker, Stambach asked to talk to Schnyder but was told it was not possible because she was on the toilet.

Schnyder's problems with the Swiss tennis federation have been further compounded by the hiring of Van Harpen, her former coach, as trainer of the Fed Cup team.

When Van Harpen was told in March that Schnyder had agreed to play against Slovakia he had only one demand.

Harnacker "can come to Zurich, but I don't want to see him on the sidelines of the court or on the bench," said Van Harpen, who parted company with Schnyder shortly after the Australian Open, following several heated arguments about Harnacker.

Schnyder explained her position in faxed statement to various Swiss media outlets Thursday.

"I do not intend to dance to the pipe of the Dutchman Van Harpen for one week," said the fax. "I understand that Swiss tennis believes in this man, but I do not."

"It is impossible for me to practice my best tennis while 30 or 40

journalists are there checking my every move and gesture from me or Rainer Harnacker to put them in a negative light and interpret them."

"In the future I will again be ready to represent and defend my nation in the Fed Cup as long as the affairs between my parents and myself are cleared up and my work with Rainer Harnacker is fully accepted."

Without Schnyder or Martina Hingis, the world No. 1, Switzerland lost, 5-0, to Slovakia.

On Sunday, Van Harpen said: "The way we split was not very pleasant. She won some tournaments and was voted most improved player of the year, and to part after such success is not normal or easy."

"But as a friend and a friend of her family, I feel sorry for her, and more importantly I'm afraid she is going to lose everything she has worked so hard for."

According to her manager, Schnyder was scheduled to play at a tournament in Cairo starting Monday, but he admits that no one can say for sure what the oncedependable Swiss will do next.

"All I can say is Patty is in love," said Haltermann.

"He's never harmed her, he's nice to her and has never done anything to make her afraid of him."

"She's constantly getting two stories, and who does she believe? Well, she believes her boyfriend. Right now all she can do is stand up for him."

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ART BUCHWALD

Cherry Blossom Furor

NEW YORK — It was a newspaperman's dream. Three beavers in the Tidal Basin in Washington were caught chopping down cherry trees. Not since George Washington admitted to cutting one down as a youth was there such a furor in the town.



Buchwald

The deed raised every question in the book. The most important was: "Whose trees are they?"

The trees in question were donated by the Japanese people as a gift. For one or two weeks of the year they blossom in breathtaking splendor and make everyone forget what people in Washington do for a living. And while the trees are protected against human mischief, there is nothing in the law that says they are forbidden fruit for beavers.

Cutting down trees is what beavers do. They have very sharp teeth and spend all their waking hours gnawing away at trees. Once they cut the tree down they use it to build a dam. No one is quite sure why they want to keep building

dams, but that's what beavers do. Now it turns out that cherry trees are the tastiest of all wood products. Once you get your teeth in one, you never want to eat an elm again.

The three beavers caught in the act were from the same family. There was a mama beaver, a papa beaver and a baby beaver. They are said to have come over from National Airport where they feasted on unclaimed luggage.

The authorities decided not to punish the beavers but move them to another location. It was a mistake from the tourist perspective because, while children enjoyed looking at the cherry trees, it was much more exciting to watch a beaver cut one down.

The U.S. Supreme Court is only a few blocks from the Tidal Basin, and it is there that the issue must be resolved. Do we protect cherry trees from beavers, or do we protect the beavers' right to chew on whatever is in the Tidal Basin?

As usual, I am on the side of the beavers. After all, unlike cherry trees, they do give a dam.

Awards for Ecological Activism

The Associated Press

SAN FRANCISCO — Samuel Nguiffo of Cameroon, who has devoted his life to protecting the Congo Basin and its inhabitants from logging excesses, is among this year's seven winners of the Goldman Environmental Prize.

Other recipients of the 10th annual Goldman awards awarded Monday are Jacqui Katona and Yvonne Margulies, two aboriginal women who have campaigned against an Australian uranium mine, and Ka Hsaw Wa, a member of the Karen ethnic minority in Burma, who fled the military dictatorship 10 years ago. He has interviewed more than 1,000 victims of human rights abuses and documented environmental abuses, including increased logging and the hunting of elephants and tigers. Each winner receives \$125,000 from the Goldman Environmental Foundation.

Ignat Solzhenitsyn in a Spotlight All His Own

By Allan Kozinn
New York Times Service

NEW YORK — At this point in Ignat Solzhenitsyn's fledgling career as a pianist and conductor, people who have not heard him before inevitably come to his concerts with the combination of curiosity, hope and skepticism that attends performances by children of the famous.

For Solzhenitsyn, who is 26 and has been performing publicly since his late teens, no direct comparisons can be made, since his parents are not musicians. But there is the overpowering association with his father, Alexander Solzhenitsyn, the Nobel laureate who is both an iconic figure in contemporary Russian literature and a symbol of conscientious resistance against repression in the former Soviet Union.

If the younger Solzhenitsyn finds this daunting, he doesn't show it, onstage or off. He can hold the spotlight on his own.

In Philadelphia, where he lives, he has been conducting the Concerto Soloists Chamber Orchestra since 1994, and became its principal conductor in January. His performances in New York as a recitalist, concerto soloist and chamber player, since 1992, have shown him to be an uncommonly thoughtful, communicative musician. Sunday, he played the Shostakovich Quintet with the St. Petersburg String Quartet.

Shostakovich, one might think, veers close to home in the sense that the composer, like Alexander Solzhenitsyn, was often at odds with the Soviet authorities. But Shostakovich reportedly had mixed feelings about the elder Solzhenitsyn: he admired his writing and courage in facing down the regime until he was exiled in 1974, but was critical of what he regarded as Solzhenitsyn's aspiration to be regarded as a modern Russian saint.

Discussing the Quintet in an interview, Ignat Solzhenitsyn focused mainly on musical issues: whether the strings should play

with or without vibrato in the exposition of the second movement fugue, for example, or whether the third movement should be played at a moderate tempo that he described as "a pedantic ruthlessness," or at a brisk, hard-driven one.

But the question of his father's relationship with the composer cannot be resisted.

"They met on several occasions," he said. "But they weren't close. Sometimes people hit it off, and sometimes they don't. And I think that by the time they met, in the mid-60s and early '70s, Shostakovich didn't have much overt fight left in him, while my father was in the most dynamic years of his political fight. But they were interesting meetings for my father, certainly. He has written his impressions of them. I don't think he's published them yet, but I'm sure that eventually they will come out."

Tall and broad-boned, with dark blond hair, clear blue eyes and a deep baritone voice, Solzhenitsyn is open and gregarious. Having just spent three weeks preparing his Philadelphia ensemble for performances of Bach's "St. John Passion," he and his wife of two months, Carolyn, stopped in New York for a few hours on their way to Cavendish, Vermont, for a 10-day vacation at the family's farmhouse, which he and his two brothers have maintained since their parents returned to Russia in 1994.

In a wide-ranging conversation, he expounded energetically on whatever came up, from Bach, Beethoven and Shostakovich to the Cold War, the New York Yankees and the heavy metal rock bands he listened to when he was growing up in Vermont. He neither avoids nor deflects discussion of his father.

"I remember walking into my father's office and hearing a Beethoven symphony for the first time," he said, as a way of explaining the childhood roots of his desire to become a conductor. "I just stopped and said, 'What is this?' And my father said, 'This is Beethoven' and showed me the



Solzhenitsyn grew up with a love for Russian culture.

boxed set. He had tapes of one of Karajan's cycles, the one from the 1970s, which he used to listen to when he was writing or thinking. I was just blown away."

Sill, it would be difficult to argue that Solzhenitsyn's childhood was like everyone else's. He was 18 months old when his parents were expelled from the Soviet Union, in 1974, after the publication in the West of "The Gulag Archipelago." The family lived in Zurich until July

no greater enemy of the regime than my father. But the country, the people — it was home. In many ways, he was lucky to have been arrested and exiled. I think it prolonged his life; he's just turned 80, and he's in good health, which is amazing considering everything he's been through. Even so, it was involuntary exile. They would have preferred to stay and fight on the spot, as they were doing.

"So we grew up with that — not just a love for Russian literature, music, culture and painting, but with a very clear family goal, that someday Russia will be free, and we will be able to go back. My father always believed that he would outlive Communism."

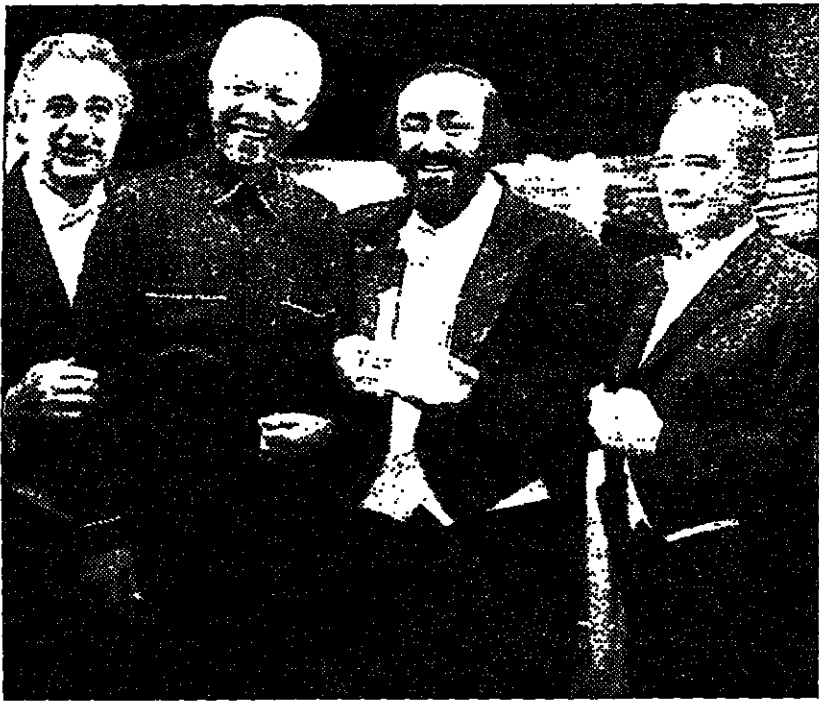
Solzhenitsyn returned to Russia before his parents, as the soloist on a 1993 tour by Mstislav Rostropovich and the National Symphony. Now he returns at least once a year to perform and to visit his parents.

Speaking only Russian at home meant that Solzhenitsyn had problems with English when he began school. But today he speaks without an accent. He considers himself equally fluent in English and Russian. One might imagine that Solzhenitsyn also experienced other kinds of cultural clashes and pressures during his school days, given his father's open criticism of what he perceived as the shallowness of American culture. But that, he said, was not a problem.

The one thing that seems to be missing in Solzhenitsyn's career right now is a recording contract. But it seems not to worry him.

"I have turned some things down," he said. "I don't want to make records just for the sake of having some on the market, or to fill a repertoire gap in a record label's catalogue. Recording is something I take very seriously. It's there forever, it's posterity, and it has to be something you feel convinced about. On my deathbed, I want to be able to look back at my recordings and say, 'That's pretty good — I wouldn't do it that way now, but it's valid.' I'm not in a hurry."

PEOPLE



Domingo, Mandela, Pavarotti and Carreras before the Pretoria concert.

THE THREE TENORS drew 35,000 people to their first concert in Pretoria. Jose Carreras, Placido Domingo and Luciano Pavarotti sang before a mostly white crowd on the sloping lawn at the Union Buildings, and a largely black 300-voice choir sang African harmonies during performance breaks. The arrival of President Nelson Mandela, who is stepping down after June elections, brought the crowd to its feet.

Graham Nash and his wife, Susan, have donated two works by the American photographer Edward Steichen to the J. Paul Getty Museum in Los Angeles. Nash, one-third of Crosby, Stills and Nash, gave the museum a 1904 photo called "Wedding Self-Portrait," one of only three known prints from the negative, and an untitled 1930 picture of Steichen's grandchildren.

The promoter Marcel Avram is out of prison and back at work, planning two shows on the eve of the year 2000

for his biggest client, Michael Jackson. Avram was released from a German prison after serving two years for tax evasion. He was quoted by Focus magazine as saying that Jackson intended to give a concert Dec. 31 in Sydney. "After the show we'll fly to Honolulu and play again on Dec. 31, because of the 22-hour time difference," he said. Avram, whose client list has included Pink Floyd and Joe Cock-er, was convicted in 1997 of dodging tax payments of nearly \$2.8 million.

Thalia D. DaCosta of Sunrise, Florida, beat out 6,000 other aspirants to win MTV's nationwide search for a new "video jockey." Tryouts were held in Los Angeles, Chicago and New York, and five finalists were tested on their music knowledge, poise and stamina live on MTV on Saturday, while viewers voted for the winner over the phone and in cyberspace. "I just won a contest for being myself," said DaCosta, 21. "I was really a struggling, starving artist yesterday. And today, I have a really well-

paying job." She won \$25,000 and a new car. Her salary has not been determined.

A statue commemorating the heroism of a Raoul Wallenberg, a Swedish diplomat who in the last months of World War II saved the lives of Jews only to vanish himself in the turmoil, has been unveiled in Budapest. The statue was to

have been dedicated on April 9, 1949, on the banks of the Danube River, where thousands were executed by firing squad. But it disappeared on the night before the unveiling and turned up at a pharmaceutical plant in eastern Hungary a few years later. A bronze copy, made by the sculptor Sandor Gyrofi and paid for by the municipality of Budapest and public contributions, was unveiled Sunday.

Monet Show Sets Records in London

The Associated Press

LONDON — About 800,000 people saw the Royal Academy's exhibition of paintings by Claude Monet, making it Britain's most popular art exhibition ever. The show of works by the French Impressionist drew as many as 8,470 people a day since it opened in London on Jan. 23. The show ended Sunday, after a special all-night viewing.

As many as 33,000 people came in the final 24 hours, the first time a British art museum has stayed open around the clock.

"Monet in the 20th Century" featured 79 paintings from his late work, assembled from public and private collections. It featured works depicting his garden at Giverny in France and views of London and Venice that Monet painted up to his death in 1926. The academy said \$6.2 million was collected through ticket sales, well above the \$2.9 million cost of staging the exhibit.

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